NATIONAL DEFENCE

2008-09 ESTIMATES

PART III - DEPARTMENTAL PERFORMANCE REPORT

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Canada

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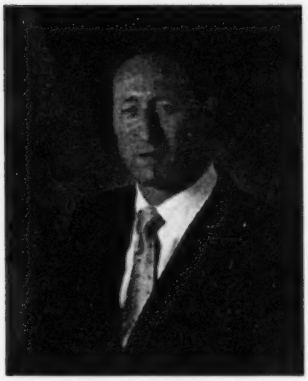
MINISTER'S MESSAGE



As Minister of National Defence, I am pleased to present to Parliament and the people of Canada the 2008-2009 Departmental Performance Report for the Department of National Defence and the Canadian Forces. Each year, this report provides an opportunity to recognize the achievements and evaluate the challenges faced by the dedicated and highly professional men and women who make up Canada's Defence Team.

The reporting period was marked by a high operational tempo and the release in May 2008 of the Government's detailed roadmap to modernize the Canadian Forces, the *Canada First* Defence Strategy. We focused on delivering on this long-term plan through expanding the CF while fulfilling our three roles of: delivering excellence at home; being a strong and reliable partner in the defence of North America; and projecting leadership abroad.

On the domestic front, we conducted operations in the North, fulfilling our plan to increase CF presence and exercise our sovereignty. Operation NANOOK, completed in August 2008, tested our ability to respond to humanitarian and environmental emergencies in the region and our capacity to effectively patrol our Arctic air, sea and land approaches. We also started training reserve units to fulfil security tasks and assist in responding to domestic emergencies in the Arctic. Looking to the approaching Vancouver 2010 Olympic and Paralympic Winter Games, we undertook exercises in support of the Royal Canadian Mounted Police-led efforts for the Games.

In the continental context, we continued to work with the United States, including through NORAD, to defend North America. Our men and women in uniform served alongside one another in the NATO-led International Security Assistance Force in Afghanistan as well as in many other international operations. In September 2008, Canada hosted the Conference of the Defence Ministers of the Americas, the singular political forum for promoting security and stability in the Western Hemisphere. As host, Canada reinforced its leadership role in the Hemisphere and made significant advances in security partnerships with key countries.

Internationally, Afghanistan was our main priority. Despite the challenging security context in the country, we responded with success to the many requirements of that whole-of-government mission. Consistent with the recommendations of the 2008 report of the *Independent Panel on Canada's Future Role in Afghanistan*, Defence delivered unmanned aerial vehicles and helicopters to the CF to improve operational effectiveness and safety.

The ongoing work of our men and women to train the Afghan National Security Forces resulted in strengthened security for the Afghan people and for our civilian partners from other government departments and agencies, 98 of whom served in-theatre at the close-out of the reporting period. From January to the end of March 2009, Canadian security presence was vital in enabling the completion of two new schools in Kandahar province. Elsewhere in the world, the CF provided assistance to missions in Haiti and escorted World Food Programme deliveries to Somalia.

Generating and sustaining military forces to respond to these operational demands remains challenging. While we have improved readiness levels, including training and equipment availability, we will need to continue to carefully manage our resources to ensure the CF can deploy quickly and effectively in response to Government direction.

We also focused on maximizing benefits for Canadians in this difficult economic climate. As we implement the *Canada First* Defence Strategy, procurement projects will create jobs for our citizens and business opportunities for Canadian companies, including through the Industrial and Regional Benefits program whereby winning contractors are required to undertake business activities in Canada at 100 percent of the contract value. This means that one dollar of economic activity will be generated in Canada for every dollar spent on new fleets of equipment for the CF.

Defence recognizes that personnel are our most valuable resource and that service can demand enormous sacrifices. Since the beginning of the mission until 31 March 2009, 118 Canadians made the ultimate sacrifice and lost their lives in the line of duty in Afghanistan, many others have experienced life-altering injuries. We continue to provide assistance through a number of initiatives to ensure ill or injured CF members, veterans, their families and the families of the deceased receive the care and support they deserve. We are also faced with challenges in recruitment and retention within the CF. Many technical trades are facing a shortage of qualified workers. The demands of a high operational tempo have also upset the balance between the numbers of personnel deployed overseas and those who train new recruits in Canada. We have worked over the past year to implement strategies to help mitigate these trends and know that further work remains ahead of us.

The success of achieving our objectives at home and abroad relies on the essential work performed by the civilian members of the Defence Team. In order to ensure that we have the people we need to perform this important role, we have made Public Service Renewal a priority for Defence and we must continue to strive to attract and recruit the best of Canada's workforce.

Defence's foremost priority is to protect our country – a mission that relies on the dedication of every member of the Defence Team. I look forward to continuing collaboration with Canadians and my colleagues in Parliament to further strengthen DND and the CF and provide unwavering support to our men and women in uniform who courageously defend the safety and interests of all Canadians at home and abroad.

The Honourable Peter G. MacKay, P.C., M.P.
Minister of National Defence

SECTION I: DEPARTMENTAL OVERVIEW

Introduction

This Departmental Performance Report for the Canadian Forces and Department of National Defence provides an overview of major activities, finance and personnel resource allocations and issues surrounding the delivery of our mandate to the Government of Canada and Canadians. The report provides this information within the broader context of the:

- *Canada First* Defence Strategy (CFDS) which mandates specific core missions and capability investments;
- The Defence Program Activity Architecture which defines specific Defence strategic outcomes and provides the Department's planning and reporting framework; and
- The Defence priorities which provide areas of specific focus within Defence to which additional effort and, if required, additional resources are allocated to mitigate risks to the delivery of our mandate.

Recurring themes and challenges are highlighted within the report and outline our focus on:

- **Caring for our people.** Defence is facing the same demographic pressures as the rest of Government and private industry as we plan to replace a significant number of members that will be retiring over the next ten years. We are also committed to providing the best support possible to Canadian Forces members and families. Defence is also working hard to manage personnel capacity constraints while delivering trained forces for operational missions, implementing the *Canada First* Defence Strategy and addressing the challenges of recruiting Canadians to fill stressed military and civilian occupations;
- **Implementing the *Canada First* Defence Strategy and ensuring success in domestic, continental and international operations.** More specifically, Defence is ensuring Canadian Forces (CF) members have the best equipment possible to allow them to perform critical activities in both training and combat roles. This also requires prudent investments in equipment, infrastructure, training and personnel growth;
- **Contributing to the security and economic prosperity of Canadian society.** Defence provides continuous surveillance of Canada's air, land and maritime approaches and its presence and investments contribute to the economic prosperity of communities and industries across Canada.

Raison d'être and Responsibilities

On behalf of the people of Canada, the Canadian Forces stand ready to perform three key roles:

- Defending Canada by delivering excellence at home;
- Defending North America by being a strong and reliable partner with the United States in upholding our continental defence; and
- Contributing to international peace and security by projecting leadership abroad.

The Defence mandate is carried out by the Department of National Defence (DND), the CF and supported by a group of related organizations and agencies. For further details on selected Defence Portfolio organizations, please see *Section III: Other Items of Interest – Selected Defence Portfolios*.

The *National Defence Act*[1] articulates the foremost responsibility for Defence[2] as the defence of Canada and Canadians. Defence continues to adapt to a dynamic strategic environment, with non-traditional challenges such as piracy, and cyber attacks emerging with traditional ones, including global terrorism proliferation, and the threat of conflict in the Middle East and the Korean Peninsula still enduring. Against the backdrop of an unfolding global financial crisis, challenges such as these will continue to occupy the international agenda and threaten our security and prosperity.

The *Canada First* Defence Strategy

To help Defence carry out its roles and responsibilities, the *Canada First* Defence Strategy, released in May 2008, ensures that Canada maintains a first-class, modern military that is well trained, equipped and prepared to meet the challenges of the evolving security environment.

Figure 1: *Canada First* Defence Strategy

The CFDS articulates the broad strategic vision for Defence, aligned with the level of ambition identified by the Government. The CFDS directs the CF to defend Canada, to enhance the safety and security of Canadians and to support the Government's foreign policy and national security objectives. It outlines six core CF missions in domestic, continental and international contexts:

- Conduct daily domestic and continental operations, including in the Arctic and through the North American Aerospace Defense Command (NORAD);
- Support a major international event in Canada such as the Vancouver 2010 Winter Olympic and Paralympic Games;
- Respond to a major terrorist attack;
- Support civilian authorities during a crisis in Canada such as a natural disaster;
- Lead and/or conduct a major international operation for an extended period; and
- Deploy forces in response to crises elsewhere in the world for shorter periods.

To accomplish this, the CFDS provides a 20-year roadmap to rebuild and modernize the CF with stable and predictable funding that permits long-term planning and investment in four Defence capability areas:

- Personnel: Expansion giving the CF a total Regular/Reserve strength of 100,000 by fiscal year 2027-28;
- Equipment: Renewal of the CF's core equipment platforms;
- Readiness: Improvement of and increase in training for personnel; and
- Infrastructure: Improvement of the overall condition of Defence infrastructure over the long term.

[1] For further information on the Legislation and Regulations for which the Minister of National Defence is responsible, please see *Section III: Other Items of Interest – Legislation and Regulations Administered.*

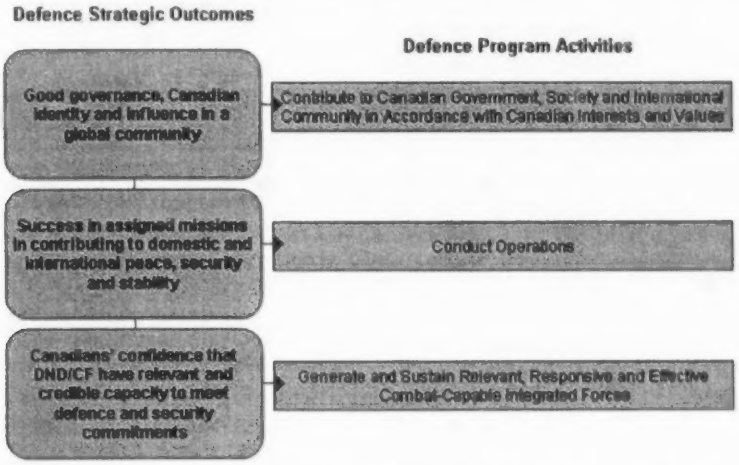
[2] The Department of National Defence (DND) and the Canadian Forces (CF) and the organizations and agencies that make up the full Defence portfolio are collectively referred to as Defence.

For further information on the *Canada First* Defence Strategy please visit the following website: www.forces.gc.ca/site/focus/first-premier/index-eng.asp.

Defence Strategic Outcomes and Program Activity Architecture

The Program Activity Architecture (PAA) is mandated by Treasury Board Secretariat as the planning, management and reporting mechanism for Defence. It is broken down into Defence's three strategic outcomes, each supported by a distinct area of program activity, as illustrated below:

Figure 2: Defence Program Activity Architecture


Defence Strategic Outcomes
Defence Program Activities
Good governance, Canadian identity and influence in a global community
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values
Success in assigned missions in contributing to domestic and international peace, security and stability
Conduct Operations
Canadians' confidence that DND/CF have relevant and credible capacity to meet defence and security commitments
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces

Each Defence strategic outcome and program activity is aligned to one or more of the Government of Canada Outcome Areas including Social, Economic, and International Affairs. For further information, please refer to *Section III: Other Items of Interest – Departmental Link to Government of Canada Outcome Areas.*

For a full illustration of the Defence PAA, please refer to *Section III: Other Items of Interest – Defence Program Activity Architecture*. For descriptions of Defence strategic outcomes and associated program activities, please refer to: www.tbs-sct.gc.ca/est-pre/20082009/me-bd/pub/ME-334_e.asp .

The Defence Priorities

The Defence priorities for fiscal year 2008-09 represent a focused number of areas in which Defence planned to direct additional efforts and resources during the reporting period. Defence priorities are reported against the PAA and provide additional means of assessing performance. They do not preclude the allocation of resources to undertakings necessary for the successful execution of the Defence mandate.

In the *2008-2009 Report on Plans and Priorities,* Defence identified four priorities to address corporate risks, gaps in capability or capacity and where broader Government direction dictated action be taken during the fiscal year:

- Achieve Operational and Mission Success in Afghanistan;
- Articulate and Implement a New Defence Strategy;
- Improve Defence Team Relevance and Responsiveness through Structure and Process Transformation; and
- Improve the Business and Management of Defence.

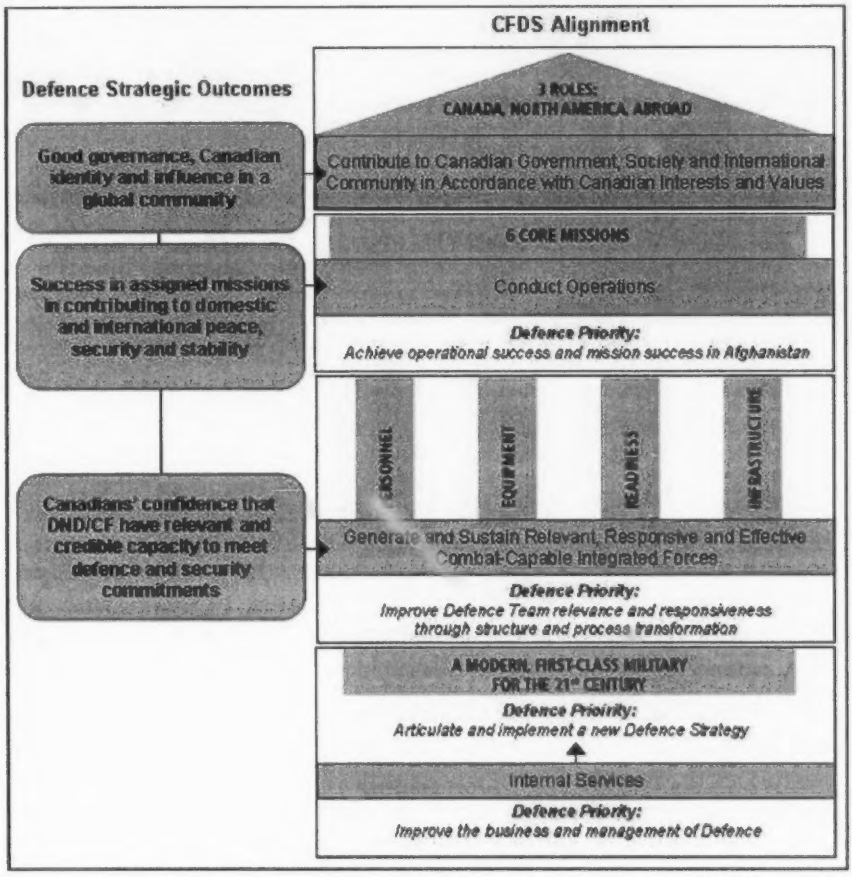
For further information pertaining to the relationship between Defence's strategic outcomes, program activities, and the specific initiatives identified to support the advancement of the Defence priorities,

please refer to *Section III: Other Items of Interest – Relationship between Defence Priorities and Program Activities*.

Defence Performance Reporting Framework

The following diagram illustrates the alignment of Defence's PAA and priorities to the CFDS. This framework forms the basis for communicating Defence's performance story throughout this report.

Figure 3: Defence Performance Reporting Framework


CFDS Alignment
Defence Strategic Outcomes
3 ROLES:
CANADA, NORTH AMERICA, ABROAD
Good governance, Canadian identity and influence in a global community
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values
6 CORE MISSIONS
Success in assigned missions in contributing to domestic and international peace, security and stability
Conduct Operations
Defence Priority:
Achieve operational success and mission success in Afghanistan
PERSONNEL
EQUIPMENT
READINESS
INFRASTRUCTURE
Canadians' confidence that DND/CF have relevant and credible capacity to meet defence and security commitments
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces
Defence Priority:
Improve Defence Team relevance and responsiveness through structure and process transformation
A MODERN, FIRST-CLASS MILITARY FOR THE 21st CENTURY
Defence Priority:
Articulate and implement a new Defence Strategy
Internal Services
Defence Priority:
Improve the business and management of Defence

Operating Environment and Risk Analysis

The core of Defence planning during the reporting period focused on the need for a readily deployable and sustainable military capable of meeting Canada's defence requirements and concurrently supporting national and foreign policy objectives.

Defence was influenced by a wide range of factors – both domestic and international – that had an impact on how we carried out our mandate. Those factors presented us with both risks and opportunities which we took into account to deliver on our roles and responsibilities with the utmost success.

Defence's activities continued to be defined by its extensive involvement in Afghanistan. Coupled with domestic initiatives such as support to the Vancouver 2010 Olympic and Paralympic Winter Games as well as Arctic sovereignty, Defence was challenged by the ongoing effort to maintain a sufficient number

of trained civilian and military personnel to conduct and support operations, and to support equipment acquisition and sustainment. The Government's commitment to increase Defence funding annually was critical, but fiscal and planning prudence was, and will continue to be, paramount in the face of increasing costs in weapons systems and infrastructure.

Our continuous monitoring of emerging issues, developments and trends allowed us to anticipate and respond to the challenges, mitigate the risks and take advantage of opportunities. Given the nature of the Defence mandate, key considerations in our planning and performance context included:

- Addressing the short-term personnel pressures of high operational tempo;
- Placing a priority on military and civilian personnel, with particular focus where military trades and occupations are considered critical or stressed, and retention activities to sustain Defence;
- Managing our capital procurement activities in collaboration with Industry Canada and Public Works and Government Services Canada to adjust to immediate operational requirements, to accomplish the acquisition goals of the CFDS, and to develop new capabilities to address threats identified by our assessment of the current operational context in Afghanistan and the future security environment;
- Revitalizing the aging real estate portfolio, and managing the growth in infrastructure to support force expansion and equipment acquisition;
- Ensuring the CF is flexible and prepared to deploy in response to Government direction for current near- and long-term national security requirements; and
- Sustaining essential support activities, such as information management and technology, to meet the Department's mandate and invest in the future.

Defence continued to respond effectively to these challenges, and to meet its obligations of operating at home and abroad across the full spectrum of operations, while maintaining close collaboration with our allies.

Performance Highlights

Through the unified efforts of the Defence Team, a number of achievements were made to further progress on Defence strategic outcomes and priorities during a very active period. Guided by the CFDS, the Defence Team delivered on its mandate, conducted core missions and addressed its resource requirements across the four pillars.

A comprehensive assessment of Defence's performance is provided in *Section II: Analysis of Program Activities by Strategic Outcomes*.

Strategic Outcome: Success in Assigned Missions in Contributing to Domestic and International Peace, Security and Stability

While our immediate security environment remained relatively stable and secure, the Defence Team continued to respond to a number of significant security concerns at home and abroad.

For example, the CF played an important support role to other departments and agencies in responding to numerous challenges, including those resulting from catastrophic environmental events, increased activity in the Arctic, drug trafficking, potential outbreaks of infectious diseases, to providing support for training and preparations for important events in Canada, such as the Vancouver 2010 Olympic and Paralympic Winter Games and the G8 Summit.

Defence continued to place a strong emphasis on Arctic sovereignty. In collaboration with other government departments and agencies, the CF conducted three major exercises that underscore Canada's approach to Arctic sovereignty: Operation *Nanook*, Operation *Nunakput* and Operation *Nunalivut*.

In March 2009, the Government launched the second phase of the Polar Epsilon project. Relying on satellite imagery, this major initiative will greatly improve Canada's surveillance capabilities over the region and other large areas of responsibility. Defence also responded to over 9000 search and rescue requests, coming to the aid of Canadians in dire circumstances and often saving lives. For more information, please see the *Section II: Conduct Operations - Domestic and Continental Operations*.

On the international front, the proliferation of various categories of weapons and the continued presence of unpredictable regimes posed ongoing challenges to international stability as did ethnic and border conflicts, piracy and global criminal networks. The events of the past clearly demonstrate that these threats can affect our security and that of our allies. In this regard, our mission in Afghanistan continued to be an important contribution to global security.

Defence's activities were heavily shaped by its military contribution to the Afghanistan mission. Every part of the organization contributed to this effort. In line with the whole-of-government approach to operations, Defence worked with the Department of Foreign Affairs and International Trade and the Canadian International Development Agency along with other government departments and agencies to accomplish our common goal of building peace and stabilizing the future of Afghanistan.

Despite the significant resource and operational tempo demands of the Afghan mission and other ongoing commitments, the CF continued to deliver successfully on Canada's commitments to this mission. For more information, please see *Section II: Conduct Operations - International Operations*.

Strategic Outcome: Canadians' Confidence that DND/CF Have Relevant and Credible Capacity to Meet Defence and Security Commitments

Significant progress was made in all areas following the release of the CFDS.

The effective functioning of the Defence Team - comprised of Regular Force members, Reservists and the civilian workforce - impacts each core mission articulated in the CFDS and affects every priority area for Defence. As such, efforts were directed to integrate more fully the existing corporate planning and monitoring activities while ensuring the Defence Team continues to remain relevant and effective. Increased attrition rates and retirements have placed additional stress on the organization and have necessitated action to mitigate the risk Defence faces in losing critical knowledge and expertise. Action was taken to specify leadership needs, to identify individuals with the potential to assume leadership roles, and to recruit outside the Public Service to expand the pool of qualified applicants. For more information, please see *Section II: Generate and Sustain Integrated Forces - The Defence Team*.

CF readiness is the method of managing forces in response to commitments, contingencies and projected capability requirements. The army trained required field force units to their designated readiness levels. The navy focused on rebuilding the necessary expertise and capabilities through targeted continental, hemispheric and international engagement plans in response to the CFDS. Yearly Flying Rates (YFR) activities were re-aligned allowing the air force to meet force employment goals. For more information, please see *Section II: Generate and Sustain Integrated Forces - Readiness*.

In response to a Parliamentary motion to extend the mission in Afghanistan, the CF obtained urgently needed equipment, including six CH-147 Chinook helicopters and 100 Leopard 2 tanks, ahead of schedule and within budget. Key activities related to other CFDS projects, such as the combat vehicles and systems, were initiated in order to secure the required policy approvals and establish the procurement strategies. Investments were directed to modernize the CF's infrastructure and to improve readiness levels. Defence progressed a number of infrastructure initiatives including the completion of interim accommodation for the C-17 aircraft and ramps at 8 Wing Trenton, the construction of three in-service support facilities at Shearwater, Nova Scotia and the completion of a multi-year project to replace ageing and unsafe utilities distribution systems at Gagetown. Defence also advanced the construction of housing

and training facilities on bases and wings across the country. For more information, please see *Section II: Generate and Sustain Integrated Forces - Equipment* and *Infrastructure*.

Strategic Outcome: Good Governance, Canadian Identity and Influence in a Global Community

The Defence Team made important contributions to Government and to Canadian society in general, as well as to the international community. Examples include efforts to communicate Defence success stories, highlight important aspects of CF history and heritage, lead innovation, enhance research and development, provide a leadership role across Government and play a meaningful role abroad.

Defence worked with federal partners to keep Canadians apprised of the situation in Afghanistan by such means as quarterly progress reports to Parliament and the Afghanistan website (www.afghanistan.gc.ca). Defence ensured that Canadians were also aware of Canada's rich military history. Defence participated in the 400th Anniversary of the Founding of Québec City and continued to offer guidance and mentorship to young Canadians through the Canadian Cadet Programme and Junior Canadian Rangers Programme. Investments in defence research and development initiatives also benefited Canadian communities. For more information, please see *Section II: Contribute to Canadian Government, Society and International Community*.

In addition to Canada's contribution to the Afghanistan mission and other international operations, notable events and activities included celebrations of the 50th Anniversary of the North American Aerospace Defense (NORAD) Agreement in April 2008, support to the VIII Conference of Defence Ministers of the Americas in September 2008, and the ongoing work of the Military Training Assistance Program (MTAP). For more information, please see *Section II: Contribute to Canadian Government, Society and International Community*.

Financial Resources Summary

($ thousands)[3]

2008-09			
	Planned Spending	**Total Authorities**	**Actual Spending**
Departmental Spending	18,852,539	19,855,430	19,184,852
Capital Spending	3,762,860	3,841,144	3,297,972

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

The Government of Canada made significant commitments to increase the financial resources available to the Department. As a result, final authority for fiscal year 2008-09 represents an increase of $1B over planned spending.

Financial information is provided throughout the report. For further details, please see *Section III: Supplementary Information*.

[3] Capital Spending is included in Departmental Spending.

Human Resources Summary

(Full-Time Equivalents (FTE))[4]

2008-09			
	Planned	**Total**	**Difference**
Regular Force	66,161	65,897	(264)
Class C Primary Reserve	1,400	1,596	196
Total Military	**67,561**	**67,493**	**(68)**
Total Civilian	**25,000**	**27,305**	**2,305**
TOTAL	**92,561**	**94,798**	**2,237**

Sources: Vice-Chief Defence Staff Group, Chief Military Personnel Group, Assistant Deputy Minister (Human Resources – Civilian) Group

Canadians responded to the career opportunities being offered in Canada's military, and Defence continued to gradually build its strength. High operational tempo, and programs and initiatives dedicated to CF transformation and expansion contributed to civilian workforce[5] growth of 2,305 FTE personnel. The military Regular Force increased its strength by 1,494 personnel from last year; however, the number of trained effective strength[6] personnel increased only marginally by 726 personnel. This marginal increase is due to the fact that most new recruits are currently in the training system and depending on entry program and military occupation, they are expected to reach trained strength status and be fully employable within two to five years.

Reserve Force members have been increasingly called upon to assist Defence in delivering its mandate. An essential component of the Defence Team, the Reserves supported the Regular Force during crises and natural disasters in Canada and provided critical augmentation to respond to dangerous and demanding international missions, most notably in Afghanistan. Approximately 20 percent of the CF contingent in the Afghanistan theatre of operation is comprised of Reservists. In addition, the CF relied heavily on contracting Reserve Force personnel for training duties due to the shortage of Regular Force instructors.

For a complete summary of Defence's financial and human resources, please see: *Section III: Other Items of Interest – Summary of Financial and Human Resources.*

Contribution of Priorities to Strategic Outcomes

The following present a summary of the progress Defence achieved in pursuing its priorities identified in the *2008-09 Report on Plans and Priorities*. Overall, Defence successfully met the commitments it set out for fiscal year 2008-09.

Detailed performance information on the Defence priorities is available in *Section III: Other Items of Interest – Contribution of Defence Priorities to Strategic Outcomes.*

[4] Explanatory notes are provided in *Section III: Other Items of Interest – Summary of Financial and Human Resources.*

[5] The civilian workforce includes employees from the Department of National Defence and the following Defence Portfolio organizations: Communications and Security Establishment Canada (CSEC), National Search and Rescue Secretariat (NSS), and the Office of the Ombudsman (OMB).

[6] Trained effective strength refers to the number of personnel trained to an employable standard for their occupation.

Operational Priority: Achieve operational and mission success in Afghanistan

Type: New

Status: Successfully Met

In close cooperation with other government department partners, Defence has had continued success in meeting its commitments in Afghanistan. Significant progress has been shown toward the achievement of priorities by the ongoing training of Afghan National Security Forces, by the support to the building of Afghan institutional capacity in areas such as health care, and by assistance to democratic elections planned for 2009. Defence also successfully introduced new equipment to support its operations in-theatre and accelerated the introduction of new initiatives to mitigate the physical and mental stress of the mission on CF members and their families.

Linkages to Strategic Outcome(s): This priority is linked to all three strategic outcomes.

Management Priority: Articulate and implement a new Defence Strategy

Type: New

Status: Successfully Met

The *Canada First* Defence Strategy was completed and approved in May 2008. Implementation is underway with tangible progress made in new equipment procurement, infrastructure development, personnel growth, and improvements in operational readiness; all of which support the sustainment of Defence's domestic and international commitments.

Linkages to Strategic Outcome(s): This priority is linked to all three strategic outcomes.

Management Priority: Improve Defence Team Relevance and Responsiveness through Structure and Process Transformation

Type: New

Status: Successfully Met

The Department has mature processes in place to capture lessons learned from recent experiences at home and abroad. This enables the continuous improvement of the application of military capabilities required to fulfill our roles and responsibilities. As a result, the Defence Team successfully prepared multiple contingents for deployment and expeditiously introduced new equipment into theatres of operation.

Improvements to the Operational Commands continued through the creation of a Common Operating Environment – an integrated and synchronized command system that enables decision-making at both the strategic and operational levels. The CF implemented an interim directive on CF readiness and began to introduce a modified method of readiness reporting.

Linkages to Strategic Outcome(s): This priority is linked to the following strategic outcomes:

- Canadians' confidence that DND/CF have relevant and credible capacity to meet defence and security commitments; and
- Success in assigned missions in contributing to domestic and international peace, security and stability.

Management Priority: Improve the Business and Management of Defence

Type: New

Status: Successfully Met

Treasury Board's Management Accountability Framework assessment for 2008-09 noted that, "the Department should be recognized for exhibiting continued improvement in its management practices". Defence was specifically lauded for the development of its Investment Plan, its exemplary commitment to the whole-of-government team efforts in Afghanistan, and the redesign of its Program Activity Architecture.

Linkages to Strategic Outcome(s): This priority is linked to all three strategic outcomes and relates primarily to the program activity, Internal Services.

Note: The ranking terminology prescribed by Treasury Board to assess progress achieved for the priorities noted above are limited to: Exceeded, Successfully Met and Not Met.

Defence experienced capacity issues due to high operational tempo and overall Defence requirements. As a result, efforts were directed to critical priorities and some commitments identified for the 2008-09 fiscal year did not fully progress as planned.

- The Defence Force Structure Review was reprioritized to fiscal year 2009-10. A dedicated team has since commenced review of the current force structure. The initial focus will be to review the CF command and control organizations. The review will examine the demands on personnel resources resulting from our transformational efforts thus far with a goal of ensuring proper balance and efficiency between our headquarter structures and the fighting force.
- The CF was successful in producing a CF Retention Strategy during the fiscal year 2008-09. However, targeted retention initiatives to reduce CF attrition, particularly in stressed military occupations, continue and will remain a focus for years to come. Under a detailed and far-ranging retention strategy, the CF will provide recruits with more realistic early-career expectations, a smoother transition into the military lifestyle and options for addressing physical fitness training requirements. Initiatives aimed at retaining personnel at a later stage in their career include improved career management and greater support of CF families.
- During the fiscal year, the Department successfully prepared an IM/IT Campaign plan to further its enterprise approach to Information Management (IM). A number of initiatives were planned and developed to ready the implementation of an enterprise IM system. These initiatives will continue to progress towards implementation in fiscal year 2009-10 and beyond.

Benefits to Canadians

Defence is positioned strategically in every province and territory: more than 194 Reserve units, 163 Canadian Ranger patrols and 1,136 Cadet units and Junior Ranger patrols further extend our presence to some 3,000 communities across the country, making Defence one of Canada's most visible national institutions.

Figure 4: CF Bases and Wings co-located with civilian service centres across Canada

Contribute to Economic Prosperity of Canadian Communities

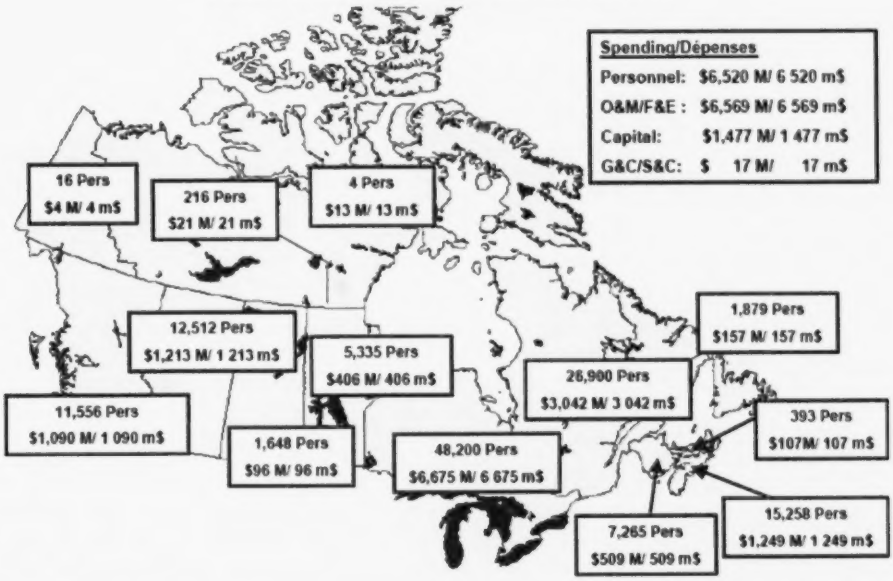
Defence is contributing to the economic prosperity of Canadian communities in several ways.

Careers with the Canadian Forces are readily available, either full-time as members serving in the Regular Force or part-time as members in the Reserves. The CF offers unlimited career possibilities, exciting challenges and the opportunity to learn new skills. CF personnel belong to air, land, sea and special operations, and work in Canada or abroad.

Nearly 70 types of different civilian career opportunities are available to Canadians in a number of professional, technical and administrative fields. In October 2008, National Defence was recognized by Canadian employment publisher Mediacorp Inc as one of the Top 25 Employers in the National Capital Region for 2009 and one of the best employers for recent graduates.

Defence is also creating jobs through significant investments in equipment and infrastructure projects. In fiscal year 2008-09, Defence invested $495M in capital construction and a further $339M in infrastructure maintenance and repair work projects.

Figure 5: Our Economic Presence 2008-09



Source: DND Estimated Expenditures by Electoral District and Province for Fiscal Year 2008-09

Notes:

1. DND expenditures were allocated to provinces based on the postal code of the DND payment recipient.
2. Please refer to EDIS publication for details on methodology used in developing *DND Estimated Expenditures by Electoral District and Province (EDIS)* Fiscal Year 2008-09.
3. Personnel numbers includes Regular Force, Civilian and Reserve Force (Primary Reserve) personnel.
4. The number of personnel reported in EDIS is not to be interpreted as the number of Full Time Equivalent (FTE) Regular Force, Civilian and Reserve Personnel as reported for fiscal year 2008-09 in the *National Defence Departmental Performance Report* (DPR). As such, the personnel figures reported in EDIS are likely to be different from the figures reported in DPR.
5. The expenditure figures provided are the estimated total gross expenditures for each region in fiscal year 2008-09.

Exemplify Canadian Values and Protect Our Interests

Defence is making important contributions to the safety, security and well-being of Canadians – from protecting citizens and safeguarding Canada's interests and sovereignty, to working with the United States in the defence of North America, and to contributing to international peace and security.

The CF's role in maintaining peace and international stability is inextricably linked to Canadian values and interests. Our prosperity as a nation depends on trade and investment, which in turn both depend on the free movement of people and goods within a stable global framework. The CF contributes to these objectives through a range of activities, by providing security and stability to areas torn by conflict as well as by participating in reconstruction efforts, thereby enabling the creation of viable economies.

Defence exemplifies many values that unite Canadians – the desire to help people in trouble at home and abroad, the pride we take in promoting peace, and our determination to protect and fight for what we believe in.

For further information regarding Defence benefits to Canadians, please refer to *Section II: Analysis of Program Activities by Strategic Outcomes – Benefits to Canadians.*

Expenditure Profile

Departmental Spending ($thousands)					
		2008-09			
2006-07 Actual Spending	2007-08 Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
15,682,631	17,524,049	18,293,756	18,852,539	19,855,430	19,184,852

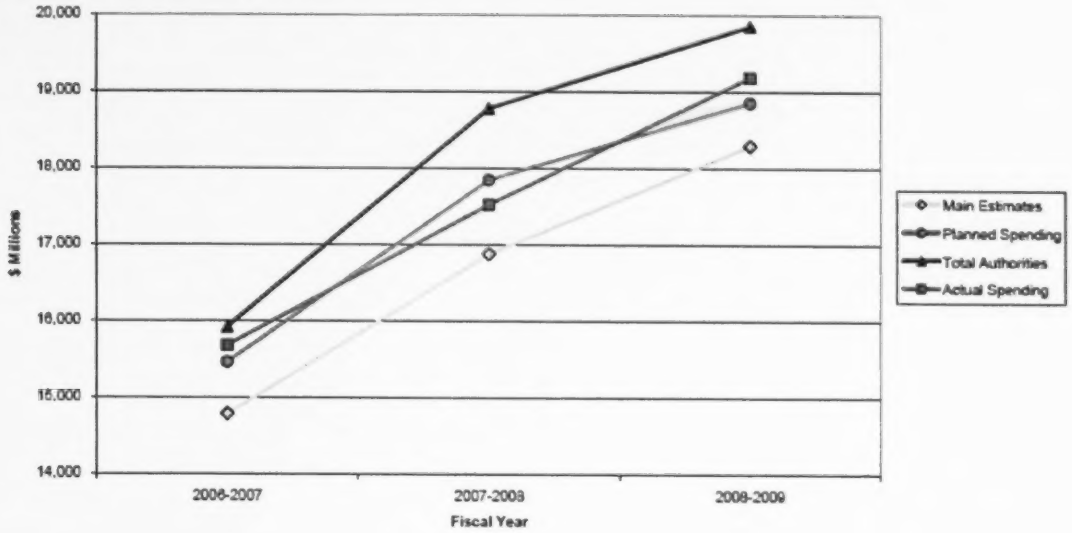
Source: Assistant Deputy Minister (Finance and Corporate Services) Group

Over the last three years, significant financial resources were provided to support the annual goals for Force Expansion, to replace and acquire new capital equipment, to improve overall readiness and to meet the required infrastructure maintenance, repair and construction activities.

In 2008-2009, the Main Estimates were increased through Supplementary Estimates and allotments from Treasury Board by $1,561.7 million. The difference of about $670 million between the total authorities and the actual spending is composed primarily of $538.6 million related to capital projects that will be returned to the department in future years, in accordance with the specific project cash flow schedules, and $100.8 million of Operating Budget Carry-Forward funding that will be returned to the department in 2009-2010.

In 2008-2009, the actual spending increased significantly as a result of related funding received to cover the incremental costs for the mission in Afghanistan, the growth of the forces (pay and related allowances), but more specifically, capital equipment funding increases resulting from the use of accrual budgeting practices of Budgets 2005 and 2006. Budgetary funding from Budgets 2005 and 2006 allowed the Department, in a short time, to make significant investments in its Capital program.

Financial Spending Trend



Source: Assistant Deputy Minister (Finance and Corporate Services) Group
Note: The following briefly explains the timing of the information provided in the Financial Spending Trend chart above:

- The "Main Estimates" figure is submitted in December, prior to the start of a new fiscal year. It includes the known approved level of funding for the department as of October.
- The "Planned Spending" provides an update of the Main Estimates information on additional funding approved between October and February, as well as expected funding to be approved in the new fiscal year for which Treasury Board Secretariat has approved disclosure.
- The "Total Authorities" represents the final authority as shown in the Public Accounts. This figure represents the final level of approved funding.
- The "Actual Spending", also found in the Public Accounts, represents the final spending on a cash basis.

Expenditure Management Review

The Department complied with the Expenditure Review Committee (ERC) program efficiency targets for fiscal year 2008-09. This marked the fourth year of ERC reductions, as Defence proceeded toward the final steady-state reductions in fiscal year 2009-10. For further details, please see *Section III: Other Items of Interest – Expenditure Management Review.*

Voted and Statutory Items

($ Thousands)

This table explains the way Parliament votes resources to National Defence in a standardized fashion. It reflects the changes made throughout the fiscal year to funding levels via Supplementary Estimates, allotments from Treasury Board and reallocations resulting from changing priorities and operational pressures. In addition, it reflects the actual spending for those votes for the current and past two fiscal years.

Vote (1, 5, 10) or Statutory Item (S)	Truncated Vote or Statutory Wording	2006-07 Actual Spending	2007-08 Actual Spending	2008-09 Main Estimates	2008-09 Total Authorities	2008-09 Actual Spending
1	Operating expenditures	11,925,235	12,812,314	13,519,620	14,381,794	14,283,787
5	Capital expenditures	2,381,824	3,199,760	3,356,705	3,841,144	3,270,903
10	Grants and contributions	187,350	168,793	192,396	193,833	191,834
11	Pursuant to section 24.1 of the *Financial Administration Act*, to forgive a debt due by Mr. R.P. Thompson to Her Majesty in Right of Canada amounting to $1,766.11 - To authorize the transfer of $1,766 from National Defence Vote 1, *Appropriation Act* No. 1, 2006-2007, for the purposes of this Vote.	2	N/A	N/A	N/A	N/A
12	Pursuant to section 24.1 (1) (b) of the *Financial Administration Act*, to forgive a debt due by Parc Downsview Park Inc. to Her Majesty in Right of Canada amounting to $15,059,000	0	N/A	N/A	N/A	N/A
(S)	Minister of National Defence salary and motor car allowance	73	74	76	77	77
(S)	Payments under the *Supplementary Retirement Benefits Act*	6,796	6,079	6,796	5,459	5,459
(S)	Payments under Parts I-IV of the *Defence Services Pension Continuation Act*	1,493	1,319	1,493	1,159	1,159
(S)	Payments to dependants of certain members of the Royal Canadian Air Force killed while serving as instructors under the British Commonwealth Air Training Plan (Appropriation Act No. 4, 1968)	80	80	82	82	82
(S)	Contributions to employee benefit plans – Members of	905,145	1,056,614	938,132	1,106,655	1,106,655

Vote (1, 5, 10) or Statutory Item (S)	Truncated Vote or Statutory Wording	2006-07 Actual Spending	2007-08 Actual Spending	2008-09 Main Estimates	2008-09 Total Authorities	2008-09 Actual Spending
	the Military					
(S)	Contributions to employee benefit plans	254,004	269,730	278,456	292,857	292,857
(S)	Spending of proceeds from the disposal of surplus Crown assets	20,591	9,242	N/A	32,329	31,998
(S)	Collection Agency Fees	39	44	N/A	40	40
	Total Department	**15,682,631**	**17,524,049**	**18,293,756**	**19,855,430**	**19,184,852**

* Due to rounding, figures may not add up to totals shown

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

Notes:

1. The total spending difference of $1,661 million between fiscal years 2007-08 and 2008-09 is attributed to an increase of $327.2 million for military pay and allowances; $245.3 million for engineering and other professional services; $209.3 million for the purchase and rental of aircraft, and aviation fuel; $171.6 million for civilian pay and allowances; $143.2 million on vehicles and other equipment; $125.3 million on travel and relocation; $87.0 million for materials and supplies; and $162.6 million over a diverse area of other spending.
2. 2008-2009 Spending Authority was increased through Supplementary Estimates and allotments from Treasury Board by $1,561.7 million for the following: $557.3 million for the Tactical Airlift Capability project; $331.0 million for the mission in Afghanistan; $236.6 million to cover the costs of military pay and allowance increases; $200.0 million as a result of the Department's operating budget carry-forward from 2007-2008 to 2008-2009; $137 million to cover the costs of civilian pay and allowance increases; $54.6 million for the Halifax Class Frigate Modernization and Life Extension project; and net $45.2 million increase to cover other miscellaneous items.

SECTION II: ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOMES

Section II of this report provides a detailed analysis of Defence's performance and an account of the progress achieved in relation to the expected results identified in the *2008-09 Report on Plans and Priorities*. The following section specifically addresses Defence's successes and performance gaps, and identifies lessons learned and corrective actions required to inform future Departmental planning and decision making. Each strategic outcome and program activity area is discussed in the following sequence:

(1) Strategic Outcome: Success in Assigned Missions in Contributing to Domestic and International Peace, Security and Stability

- Program Activity: Conduct Operations

(2) Strategic Outcome: Canadians' Confidence that DND/CF have Relevant and Credible Capacity to Meet Defence and Security Commitments

- Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces

(3) Strategic Outcome: Good Governance, Canadian Identity and Influence in a Global Community

- Program Activity: Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values

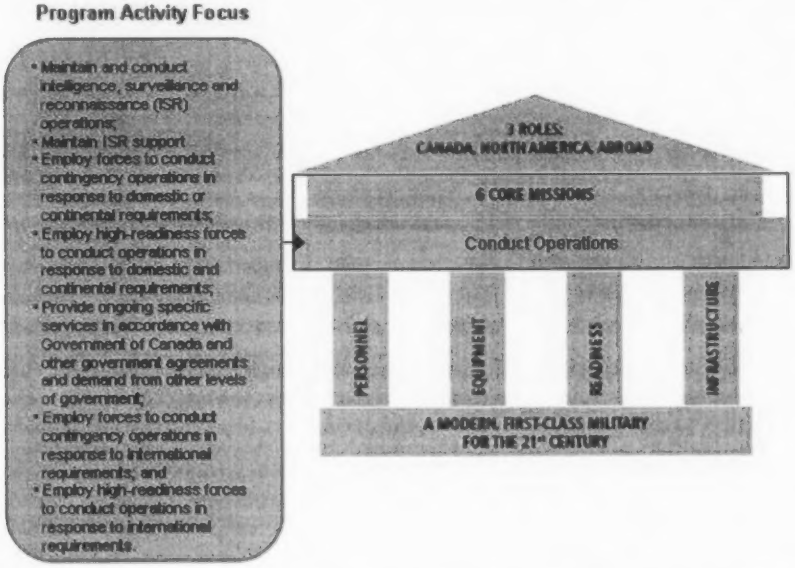
Strategic Outcome: Success in assigned missions in contributing to domestic and international peace, security and stability

Program Activity: Conduct Operations

Conduct Operations represents the main use of the program output from Generate and Sustain Integrated Forces, such as the employment of forces in operations, whether on a constant basis, selectively ongoing operations, or as required for named domestic or international operations. It consists of all the activities necessary to conduct Constant Situational Awareness, Domestic and Continental Operations, and International Operations, and Employ High-Readiness forces to conduct operations in response to international requirements.

The following diagram illustrates the dedicated focus areas of the program activity Conduct Operations as identified in the Defence Program Activity Architecture. This program activity is directly aligned to the six core missions of the *Canada First* Defence Strategy as outlined in Section I.

Figure 6: Conduct Operations Focus Areas


Program Activity Focus
• Maintain and conduct intelligence, surveillance and reconnaissance (ISR) operations;
• Maintain ISR support
• Employ forces to conduct contingency operations in response to domestic or continental requirements;
• Employ high-readiness forces to conduct operations in response to domestic and continental requirements;
• Provide ongoing specific services in accordance with Government of Canada and other government agreements and demand from other levels of government;
• Employ forces to conduct contingency operations in response to international requirements; and
• Employ high-readiness forces to conduct operations in response to international requirements.
3 ROLES: CANADA, NORTH AMERICA, ABROAD
6 CORE MISSIONS
Conduct Operations
PERSONNEL
EQUIPMENT
READINESS
INFRASTRUCTURE
A MODERN, FIRST-CLASS MILITARY FOR THE 21st CENTURY

The top priorities identified in the *2008-09 Report on Plans and Priorities* include the Defence and security of Canada and meeting international defence and security commitments. Supporting initiatives identified for the 2008-09 fiscal year include:

- Employ assigned Defence assets to effectively pre-empt and meet threats and emergencies within Canada;
- Conduct surveillance patrols of Canada's territorial, aerospace and maritime approaches;
- Maintain continental security in co-operation with the United States;
- Employ maritime, land, air and special force assets necessary to provide assistance to humanitarian operations and conduct peace support or combat operations wherever required internationally;
- Deploy two separate rotations in order to sustain a force of approx. 2,500 personnel on the ground in Afghanistan;
- Introduce enhancements to soldier survivability; and
- Maintain, if not increase, the rate of Reservists' participation in missions abroad.

Performance Summary

Program Activity: Conduct Operations				
Expected Results	**Performance Indicators**	**Targets**	**Performance Status**	**Performance Summary**
Success in assigned missions in contributing to domestic and international peace, stability and security	Average response time for Search and Rescue requests	30 minutes for working hours and 120 minutes for evenings and weekends	Met All	The Joint Rescue Coordination Centres in Halifax, Nova Scotia, Victoria, British Columbia and Trenton, Ontario responded to over 9000 Search and Rescue incidents of which the CF responded to 1200 countrywide.
	Domestic operations successfully conducted	All operations achieve intended objectives and results	Met All	The CF conducted operations in the Arctic, contributed to the defence of North America, and supported the Royal Canadian Mounted Police, the Department of Fisheries and Oceans, and other whole-of-government activities. The Department also planned and prepared for security support to the Vancouver 2010 Olympic and Paralympic Winter Games, and participated in two major exercises.
	International operations successfully conducted	All operations achieve intended objectives and results	Met All	The CF contributed to 15 long standing international missions in the Caribbean, Europe, the Middle East, Africa, and Asia, in support of the UN, NATO, the European Union, and the African Union. Operations in South West Asia and Afghanistan achieved significant whole-of-government effects. In addition, the CF participated in four contingency operations during the reporting period.
Alignment to Government of Canada Outcomes				
Social Affairs: A safe and secure Canada The safety and security of Canada and its citizens is Defence's number one priority. On any given day, thousands of sailors, soldiers, and air force personnel stand ready to defend Canadian sovereignty, to assist Canadians in need and to help our neighbours to the south. CF members lead search and rescue missions, patrol Canada's coastal waters, monitor our skies, assist civil authorities with disaster relief, and build partnerships with other government organizations to coordinate assistance to effectively plan and respond to major emergencies or natural disasters.				

Source: Vice-Chief of the Defence Staff Group

Notes: The performance status terminology prescribed by the Treasury Board was applied to the above table as follows:

- **Exceeded** – More than 100 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Met All** – 100 percent of the expected level of performance for the expected result was achieved during the fiscal year.
- **Mostly Met** – 80 to 99 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Somewhat Met** – 60-79 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Not Met** – Less than 60 percent of the expected level of performance for the expected result identified was achieved during the fiscal year.

Program Activity: Conduct Operations 2008-09 Financial Resources ($ thousands)					
	2007-08 Actual Spending	**2008-09**			
		Main Estimates	**Planned Spending**	**Total Authorities**	**Actual Spending**
Departmental Spending	2,912,828	2,568,837	2,582,092	3,018,393	3,347,841
Capital Spending (included in departmental spending)	358,061	313,998	313,998	323,829	432,419

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

Notes:

1. The total authority column is the department's internal breakdown of the approved votes into PAA reporting categories. It does not represent the voted authorities approved by Parliament.

2. Departmental Spending and Capital Spending includes the allocation of Internal Services. For details, see *Section III: Other Items of Interest – Internal Services.*

Program Activity: Conduct Operations 2008-09 Human Resources (FTEs)			
	Planned	Actual	Difference
Military	10,340	10,299	(41)
Civilian	772	921	149
Total	**11,112**	**11,220**	**108**

Data Source: Human Resources Management System reports as of 31 March 2009

Sources: Chief Military Personnel Group, Assistant Deputy Minister (Civilian-Human Resources) Group, Vice-Chief of the Defence Staff Group

Notes:

1. Military FTEs represent Vote 1 and Vote 5 Regular Forces and do not include Class "C" Primary Reserve Forces.
2. Military FTEs are derived from a representative financial formula, as there is not a consistent 1:1 relationship between FTEs and program activities.
3. Military FTEs include FTEs attributed to Internal Services.
4. The civilian workforce is planned through a Salary Wage Envelope (SWE); therefore, FTE figures represent an equivalent dollar value.
5. Civilian FTE figures include Communications and Security Establishment Canada (CSEC), National Search and Rescue Secretariat (NSS), and the Office of the Ombudsman (OMB). For further information on these organizations please refer to *Section III: Other Items of Interest – Select Defence Portfolios.*
6. Civilian FTE figures for this program activity include 16.6 percent personnel attributed to Internal Services.
7. Due to reprioritization of operational and/or management initiatives within the fiscal year, personnel are reallocated to other program activities as required.

Performance Analysis

"Our work begins here at home. The Canadian Forces' most important mission is to defend Canada and Canadians. This is our first priority."

General Walt Natynczyk,
Chief of the Defence Staff

Domestic and Continental Operations

The primary role of the CF is to defend Canada and North America and to ensure Canada's sovereignty. The CF engages in domestic operations, and is a strong and reliable defence partner with the United States in protecting continental interests.

Canada Command (Canada COM), as the operational organization responsible for the conduct of all operations in Canada and in North America, continued to provide the command and control of all units assigned to defence, disaster relief and Search and Rescue in Canada. Through its six subordinate Regional Joint Task Forces (Atlantic, East, Central, Western, Pacific, and Northern), an effective working relationship continued to develop with both federal and provincial/territorial Emergency Measures, Health, Environment and Law enforcement organizations. It was in this context that:

- The CF provided evacuation assistance during the spring 2008 flood season in New Brunswick, James Bay, and Hudson Bay.
- Naval and air units of Maritime Command and 1 Canadian Air Division provided the Department of Fisheries and Oceans with 155 sea days and 440 flight hours in direct support to routine fisheries patrols. During three separate operations in 2008, CP-140 Aurora aircraft provided additional support by:

Did You Know?

Covering a search and rescue area of responsibility which extends out well into the Arctic, Pacific and Atlantic oceans, more than 700 CF members are dedicated to search and rescue in Canada. Trained to operate boats and carry out underwater rescues using scuba gear, Search and Rescue (SAR) technicians are survival experts under all Canadian climactic and terrain conditions. When a distress call and identification of the emergency is received, the SAR crew swings into action by drawing shared responsibility support from the Canadian Coast Guard and from a vast network of civil and government organizations, volunteers and other agencies. Last year, SAR crews responded to over 9,000 calls for help, rescuing thousands of Canadians.

- Flying more than 180 hours of support to detect illegal fishing in the North Pacific;
- Assisting the Alpha Ridge Survey project's mapping of the Arctic seabed, which will form part of Canada's submission to the United Nations Convention on the Law of the Sea in order to confirm our rights to jurisdiction beyond 200 nautical miles; and
- Providing surveillance flights to oversee the spring 2008 seal hunt.

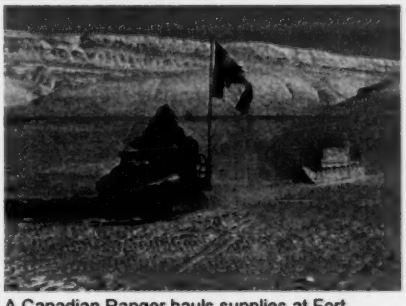
As a clear indication of the Canadian Forces' excellence at home, Search and Rescue (SAR) remained one of the foremost domestic responsibilities for the CF, in collaboration with the Canadian Coast Guard and the Royal Canadian Mounted Police. Canada's SAR responsibilities stretch from the British Columbia coast to Alaska, throughout the Arctic, and reach midway across the Atlantic Ocean:

- The Joint Rescue Coordination Centres in Halifax, Nova Scotia, in Victoria, British Columbia and in Trenton, Ontario, who oversee these vast areas of responsibility, responded to over 9000 Search and Rescue incidents in 2008. The CF was tasked to respond to 1200 of these incidents countrywide, and the members of the CF's Search and Rescue Squadrons continued to provide outstanding service to the country.
- Members of the CF's Search and Rescue Squadrons, while often recognized by Canadians for their selfless actions in the preservation of life, are also acknowledged for their actions by foreign nations. Members of 103 Search and Rescue Squadron, based in Gander, Newfoundland were recognized by the French Government for their efforts during a four day search for survivors from French vessel, Cap Blanc, which capsized while travelling from St. John's to the French Islands of St. Pierre and Miquelon in December 2008.
- Although most incidents responded to by the CF involve personnel and aircraft from the Search and Rescue squadrons located in Comox, Winnipeg, Trenton, Greenwood and Gander, members of 4th Canadian Ranger Patrol Group (4 CRPG) commenced a 34-day exercise to demonstrate their SAR capabilities on 29 January 2009. During Exercise Western Spirit, they travelled 3,400 km by snowmobile, from Kitimat, British Columbia to Churchill, Manitoba, often in weather of minus 50°C. During the longest snowmobile patrol in history, these Rangers successfully demonstrated their ability to operate and conduct rescues in Canada's northern regions.

For more information on Search and Rescue, please consult the SAR Secretariat website at: http://www.nss.gc.ca/site/index_e.asp. For more information on the Canadian Ranger Patrol Group, visit: http://www.army.forces.gc.ca/land-terre/cr-rc/crpg-gprc-eng.asp

As a further indication of the importance of Arctic sovereignty, the CF contributed to the Government of Canada's Integrated Northern Strategy, advancing our economic and social development, environmental stewardship, and improved governance. The CF exercised Canada's responsibilities in the North and strengthened security through surveillance and control operations and by providing a more visible Canadian presence. The CF also provided effective and timely responses to emerging threats or emergencies in conjunction with other government departments.

- Operation *Nanook* is an annual operation conducted primarily in the Eastern Arctic. It is a joint and integrated sovereignty operation that highlights interoperability, command and control, and cooperation with interdepartmental and intergovernmental partners in the North. Operation *Nanook* was held in the Baffin Island coastal and Hudson Strait areas from 9 to 16 August 2008, and it helped develop and refine relationships between various territorial, regional, and federal



A Canadian Ranger hauls supplies at Fort Eureka airstrip, Ellesmere Island, Nunavut for a sovereignty operation during which Rangers endured cold temperatures and rough terrain.

departments and agencies. The exercise included scenarios that simulated maritime emergencies, such as the evacuation of a ship in distress and an oil spill.

- Operation *Nunakput* is an annual operation held in cooperation with the Canadian Coast Guard and the Royal Canadian Mounted Police with the aim to exercise sovereignty and practice interoperability, focusing on the Beaufort Sea region including Herschel Island. Operation *Nunakput* was held in summer 2008 and involved aerial and maritime surveillance and focused on enhancing joint operational capability in this vast region.
- Operation *Nunalivut* employs the unique capabilities of the Canadian Rangers to support Joint Task Force North (JTFN) operations in the extreme environment of the High Arctic, as Ranger snowmobile patrols provide a presence and demonstrate a response capability in the most remote areas of the North. Operation *Nunalivut* took place from March to April 2008 and spanned the length of Ellesmere Island. Three patrols of Canadian Rangers and scientists operated on the northwest side of Ellesmere Island. Significantly, this support during the International Polar Year permitted scientists to investigate the changes occurring in the Ward Hunt Ice Shelf.
- The Canadian Rangers, a component of the Army Reserve, represented a valuable military presence in support of Arctic sovereignty. Some significant contributions include: reporting unidentified vessels within Canadian waters off the northeast coast of Quebec in the Bay of Salluit; participating as observers/guides on the west coast to counter illegal immigration; and responding to disaster situations such as aircraft crashes. In addition, the Rangers conducted Northern Warning System patrols and assisted in local Search and Rescue activities.
- Technology Demonstration Projects are important to improve CF operations in the Arctic. During the summer of 2008, Defence, with the assistance of other government departments, conducted the first annual Arctic choke point[7] trial on the southwest corner of Devon Island, Nunavut, at Gascoyne Inlet and Cape Liddon. Defence also collaborated with the Canadian Space Agency on the development of a Canadian microsatellite to collect Automatic Identification System transmissions from ships to monitor cooperative maritime traffic in arctic waters as well as off our coasts.

For more information on the CF in the North, please visit the Canada Command web site at: http://www.canadacom.forces.gc.ca/site/index-eng.asp.

Defence stands ready to assist other government departments or agencies in addressing wide-ranging security concerns:

- From February to April 2010, Canada will host the Vancouver 2010 Olympic and Paralympic Winter Games. Defence worked effectively with all federal and provincial departments involved in planning support to the event, and assisted the Royal Canadian Mounted Police (RCMP) in developing and testing the responses to any perceived threat to its safe and successful completion. The Vancouver 2010 Integrated Security Unit held the first of three preparatory exercises in the fall of 2008; these exercises test and evaluate the interoperability of all levels of government, and address any potential

Reg Fountain, Wayne Douglas and Bill Soros, responsible for developing security criteria for the Vancouver 2010 Olympic and Paralympic Winter Games, received a Deputy Minister's Award in recognition of their contribution to help federal government departments achieve a comprehensive, whole-of-government approach to security.

[7] Choke point is defined as any natural or artificial feature or structure that creates a constricted route thereby restricting manoeuvre or movement.

challenges to security associated with the Vancouver 2010 Olympic or Paralympic Winter Games.

- Two coastal Marine Security Operations Centres (MSOCs) provide Canada with enhanced marine security and help detect, assess and support a response to any threat to marine security that could affect the safety, security of the environment or the economy. Threats could include emerging terrorist activity, trans-national crime, environmental and health threats, and over-fishing in Canadian waters by other countries. The Centres represent an integrated and cooperative approach between government departments and agencies involved in maritime security. Led by Defence, the project leverages the combined knowledge and information sources of Defence, Transport Canada, Canada Border Services Agency, the Canadian Coast Guard and the RCMP. During the reporting period, there were 13 instances where departments and agencies benefited from marine security provided by MSOCs.
- The CF provided helicopter support to the RCMP to assist in locating marijuana plantations. With the assistance of the CF, the RCMP seized and destroyed over 196,000 marijuana plants with an estimated street value of $196M in fiscal year 2008-09.
- Canada continues to participate in the bi-national North American Aerospace Defence Command (NORAD), where we have been a partner to the United States for over 50 years. Continuing to build on this successful and continually evolving relationship, Defence effectively worked with both NORAD and the US Northern Command to ensure the security of North America.
- Finally, considerable effort was made to improve the quality and availability of secure Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) capabilities and computer information system services. In support of CF operations, these efforts are to enable the exchange of and access to secret information within the Department and to support interoperability with other government departments, agencies and key allies.

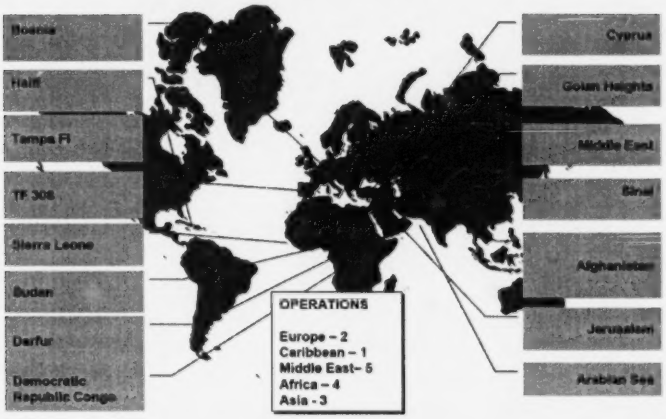
International Operations

The Government confirmed the CF mandate, as part of the CFDS, to project leadership abroad through the meaningful contribution to international security. In response to this direction, CF operations outside of Canada varied from combat operations to disaster relief during the 2008-09 fiscal year.

More than 3,500 Canadian soldiers, sailors, airmen and airwomen are deployed overseas on operational missions. On any given day, roughly 8,000 CF members, one third of our deployable forces, are preparing for, engaged in, or returning from an overseas mission.

There are currently 15 international missions underway, categorized into five regions as follows: one in the Caribbean, two in Europe, four in Africa, five in the Middle East, and three in Asia. These missions support a wide range of operations that include NATO, UN, ISAF, Multi National Force and Observers, the European Union, and the African Union.

Figure 7: CF International Operations



In addition to the 15 operations the CF conducted in 2008, four contingency operations were undertaken - Operation CARIBBE, the US-led counter-drug operation in the Caribbean and Eastern Pacific, provided support to Joint Interagency Task Force (South) (JIATF(S)), Operation HORATIO provided hurricane relief to Haiti, and Operations CONTINUING PROMISE and PACIFIC PROMISE provided international humanitarian assistance:

- The CF continued to participate in and to supply naval and air assets to the JIATF(S) as part of Operation CARIBBE. Support to JIATF(S) consisted of periodic assignment of a frigate, Aurora aircraft, or submarine to assist in the tracking of non-legitimate shipping and aircraft potentially related to the shipment of contraband drugs.
- In September 2008, the CF assisted in hurricane and disaster relief. Through Operation HORATIO, the CF made available to the US one C-17 and two C-130 aircraft, and assisted the US in the evacuation of personnel from the likely landfall of Hurricane Gustav in New Orleans. In September 2008, Haiti was once again devastated by the effects of a hurricane. A CF frigate while assigned to JIATF(S) was redirected to provide disaster relief. While on station, the frigate and her embarked helicopter assisted in the delivery of 457 metric tons of relief supplies.
- Canada's engagement in the Caribbean region extended beyond the provision of disaster relief and counter-drug operations. Canada played an important role in support to the US-led Operations CONTINUING PROMISE from August 6 to December 1, 2008 and PACIFIC PROMISE from July 2 to September 15, 2008. Through these two operations, humanitarian assistance and medical and dental services were provided to local populations in Colombia, the Dominican Republic, Guyana, the Netherlands, Nicaragua, Panama, and Trinidad and Tobago. A contingent of approximately 50 CF Health Services Group members, Regular and Reserve Force personnel, doctors, dentists and medical technicians contributed their specialist expertise.

Corporal Eva-Marie Rogerson, assigned to USS Kearsarge, spends a bit of time with a child in a village where the medical needs of the local residents are being assessed.

Photo: MC 2nd class Erik Barker

Maritime Security Operations continued to be a priority for the CF and both the navy and the air force generated units in support of OP ALTAIR and OP SEXTANT. OP ALTAIR is part of Canada's contribution to the global war on terror. OP SEXTANT is Canada's ongoing contribution

to the Standing NATO Response Force Maritime Group One (SNMG1). The navy generated units in support of OP ACTIVE ENDEAVOUR, the NATO anti-terrorism operation in the Mediterranean.

- A Coalition Task Group was led by a Canadian Commodore and Task Group staff embarked in a CF destroyer. They were accompanied by a CF frigate and replenishment ship and led a coalition task force of seven participating nations and as many as 14 ships, from May to October 2008 in the Arabian Gulf, the Gulf of Oman and the Gulf of Aden.
- On 17 July 2008, a CF frigate deployed from Halifax on OP SEXTANT. In early August 2008, she was reassigned to World Food Program (WFP) escort duties in the Indian Ocean, off the Horn of Africa, as a result of the Government of Canada's response to the United Nations' call. She fulfilled this duty until 23 October 23 2008, then rejoined SNMG1 in the Mediterranean and continued with OP ACTIVE ENDEAVOUR. As a result of this successful mission to protect the aid ships from acts of piracy, approximately 36,200 metric tons of food aid was delivered to Mogadishu. The WFP estimates that this was enough nourishment to feed approximately 181,500 Somalis for one year.

Did You Know?

Combined Task Force (CTF) 150 is a multinational naval coalition operating in the Middle East to develop security, deter destabilizing activities, and support global economic prosperity. From June to September 2008, the coalition was under Canadian leadership. The HMCS *Iroquois* served as the task group flagship and command, allowing Canada to bring influence and a unique Canadian perspective into the global maritime environment.

Defence's Engagement in Afghanistan

One of the most significant demonstrations of Canada's leadership abroad remains our efforts in South West Asia. The mission in Afghanistan remains the largest operation undertaken by the CF since the Korean War with over 2,800 personnel deployed as a part of the International Security Assistance Force (ISAF), a coalition of 42 countries under NATO command. In concert with our partners in other government departments and agencies, notably the Canadian International Development Agency (CIDA) and Foreign Affairs and International Trade Canada (DFAIT), the CF continued to provide the security conditions necessary for the advancement of the Government of Canada's six priorities. Canada's participation in the counter-insurgency campaign came with a significant sacrifice, as 35 CF members were killed during the reporting period and many more were injured.

Canada's Priorities in Afghanistan:

1. Enable the Afghan National Security Forces in Kandahar to sustain a more secure environment and promote law and order.
2. Strengthen Afghan institutional capacity to deliver core services and promote economic growth, enhancing the confidence of Kandaharis in their government.
3. Provide humanitarian assistance for extremely vulnerable people, including refugees, returnees and internally displaced persons.
4. Enhance border security, with facilitation of bilateral dialogue between Afghan and Pakistani authorities.
5. Help advance Afghanistan's capacity for democratic governance by contributing to effective, accountable public institutions and electoral processes.
6. Facilitate Afghan-led efforts toward political reconciliation.

Canada's Engagement in Afghanistan: www. Afghanistan.gc.ca

After the release of the report of the *Independent Panel on Canada's Future Role in Afghanistan*, it was determined that Canada should continue with its responsibility for security in Kandahar beyond February 2009, as long as three pre-conditions were met. These conditions were met, in that a US Infantry battalion was deployed to Kandahar under the Operational Command of JTF-Afghanistan and assumed responsibility for Maywand District; the Government of Canada secured medium-lift helicopters and unmanned aerial vehicles (UAVs); and NATO was notified that Canada will end its military mission in Kandahar as of July 2011 and will complete the withdrawal of Canadian combat forces by December 2011.

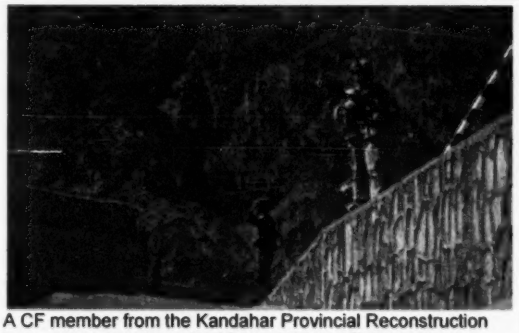
With the introduction of the Government's priorities and associated benchmarks for Afghanistan, the mission began to link its military and civilian[8] contributions in strong cooperation. As the civilian footprint evolved and expanded, CF activities also evolved in order to enable the whole-of-government approach towards governance and reconstruction and development efforts. "By the end of the reporting period, 98 Canadian civilians were working closely with the CF in Kandahar and in Kabul."[9]

An example of the efforts of Canadian civilians is the case of DFAIT officials who facilitated a meeting of senior Afghan and Pakistani officials in Dubai, where two delegations adopted an action plan specifying steps and timelines for practical cooperation on mutual border concerns. They also agreed to set up joint working groups to improve cooperation on customs, migration, narcotics and law enforcement. At the request of Afghanistan and Pakistan, Canada committed to continue facilitating this process.

The CF actively supported the activities of its deployed other government department partners. Examples of CF support were the provision of security and logistical support to signature and development projects, such as the Arghandab Irrigation Rehabilitation Project, more commonly known as the Dahla Dam Project, the facilitation of voter registration, and enabling the dialogue between Afghan and Pakistani border security authorities previously mentioned. "Canada's experience with soldiers and civilians working and planning together has been recognized by other governments as a useful model for their own operations in Afghanistan."[10]

The CF was principally focused on the Canadian Government's first priority: enabling the Afghan National Security Forces (ANSF) in Kandahar to sustain a more secure environment and to promote law and order. The ANSF are composed of the Afghan National Army (ANA) and the Afghan National Police (ANP). Canada's priority is to help build — with ISAF and other partners — the ANSF capability to provide enough security for governance and development to proceed. Canadian civilians and US partners lead capacity building in the ANP, supported by the CF, which has primary responsibility for training and mentoring the ANA in Kandahar. Under the NATO Equipment Donation Programme, Canada donated 2,500 rifles to the ANA, along with various other equipment.

The Canadian Operational Mentor and Liaison Team (OMLT) is a multi-disciplinary team of ISAF soldiers who assist a specific formation of the ANA. The OMLT in Kandahar Province comprises about 200 Canadian soldiers whose duties include delivering training to ANA units, advising and sometimes supervising ANA soldiers and their commanders, and modelling the skills and attitudes they teach. The efforts of the OMLT continued to have significant impact: "Organized as the 1st Brigade of the 205th ANA Corps, ANA units under CF mentorship are acknowledged to be among the most professional in the country and achieved new progress. The Brigade Headquarters and one of



A CF member from the Kandahar Provincial Reconstruction Team on sentry duty with Afghan National Police near an Afghan police substation in Kandahar City

Source: www.afghanistan.gc.ca

[8] In this sub-section of the report, civilian(s) refers to individuals who are not on active duty in the armed services or members of a fighting force. Civilians may include, but are not limited to, members of the civilian workforce employed with the Department of National Defence, civilians employed with or by other government organizations such as diplomats, development specialists and corrections officers, as well as police seconded from the Royal Canadian Mounted Police and provincial and municipal forces across the country.

[9] *Canada's Engagement in Afghanistan*, Report to Parliament, March 2009

[10] *Ibid.*

the battalions (called kandaks in Afghanistan) maintained performance at the highest capability milestone — fully capable of near-autonomous operations. Four other battalions have reached the second-highest capability milestone."[11] In coordination with the Canadian Battle Group, ANSF involvement in operations contributed to all efforts in maintaining security conditions. "Specialized battalions began to field artillery, logistics and engineering capabilities for the first time, and Brigade commanders grew in capacity to lead operations."[12]

One of the biggest threats to Canadians deployed on operations in Afghanistan is the improvised explosive device[13] (IED) – a makeshift bomb. During the reporting period, "Canadian and Afghan forces continued to attack and disrupt IED networks in Kandahar, adapting to changing insurgent methods just as the insurgents themselves adapted to evolving coalition and Afghan operations. Afghan forces demonstrated noteworthy advances in their capacity to prevent IED attacks, and Afghan soldiers and police were mounting a growing number of effective, independent operations on their own."[14]

"The combat effectiveness of the CF was strengthened as the recently-deployed helicopters reached full operational capability. The airlift and protection provided by CH-147 Chinook and Griffon helicopters, and surveillance by unmanned aerial vehicles (UAVs) are reducing exposure of Canadian soldiers and civilians to IEDs while enabling swifter operations against insurgents."[15] In addition, Defence continued to respond with critical research and development through the Counter-IED Technology Demonstration Project. This four-year program specifically addresses counter-IED activities of attacking the insurgent networks, defeating the IED device, and preparing the CF. For more information on specific initiatives, please see the following sub-section, "*Lessons Learned*" and the sub-section "*Research and Development*" that appears later in this report.

Progress on the Government's priorities in Afghanistan is being monitored closely. This is primarily achieved through a benchmarking exercise, reinforced by quarterly reporting to the Cabinet Committee on Afghanistan, and subsequently presented to Parliament. Quarterly reports are available at: www.afghanistan.gc.ca/canada-afghanistan/approach-approche/index.aspx?menu_id=1&menu=L.

Throughout the reporting period, Defence continued to meet Government's commitments outlined in its response to the Standing Committee on National Defence report, Canadian Forces in Afghanistan, tabled in June 2007. For information on the status of these recommendations, please see *Section III: Supplementary Information – Responses to Parliamentary Committees and External Audits.*

Did You Know?

Shuras, a community consultation process which plays an important role in Afghan society, are normally comprised of respected male elders. While women's shuras do take place in Afghanistan, they are rare in Southern Afghanistan where the CF operate. However, in October 2008, with the facilitation assistance of the CF Operational Mentoring and Liaison Team (OMLT) and Afghan National Army (ANA), a women's shura was held in the village of Bazar-e Panjwaii. Working with an all-female team of coalition soldiers, positive steps were taken during the shura towards working together, with more being planned to continue the progress.

[11] *Canada's Engagement in Afghanistan*, Report to Parliament, March 2009
[12] *Ibid*
[13] IEDs are insurgents' weapon of choice and have contributed to over 55 percent of CF fatalities from 2002 through to the end of the fiscal year.
[14] *Canada's Engagement in Afghanistan*, Report to Parliament, March 2009
[15] *Ibid*

Lessons Learned

The Defence Team worked together to achieve success in Afghanistan and other missions during a very active period. The realities of the evolving security environment in combination with a high operational tempo generated valuable learning opportunities and highlighted challenges that Defence staff can anticipate in future missions.

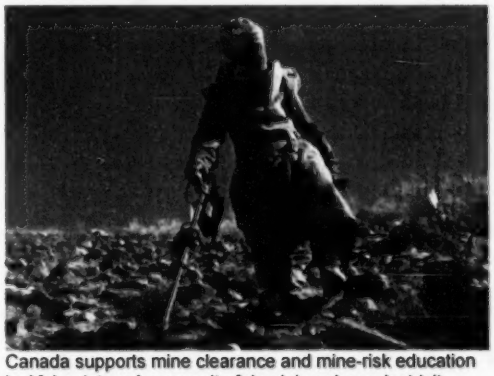
Generating lessons learned is an ongoing process that not only identifies key observations for Defence, but also incorporates inputs from and informs other governmental departments, as key partners in missions undertaken by the CF, through the process of information sharing and active consultation. To capitalize on its experience in operations, Defence launched an initiative in December 2008 that resulted in the development of a guidance document on lessons learned. In developing this publication, Defence looked to its partners and allies for relevant insights on similar initiatives.

In line with the whole-of-government approach, Canada's domestic and international experience in conducting operations underscores the importance of three strategic factors:

- The importance of the aforementioned approach to operations cannot be overlooked. To this end, the development of a comprehensive strategy is key to operational success.
- The value of concrete metrics, such as the benchmarks used in the production of the *Canada's Engagement in Afghanistan* quarterly reports, proved effective in retaining strategic focus, in measuring success and in having a clear vision of the challenges ahead.
- Unified strategy needs to be implemented on the ground through ongoing cooperation between military and civilian staff, both from within Defence and from other governmental departments. The success of this approach has been illustrated in Afghanistan.

The employment of IEDs by insurgents increased over the past year and their tactics and equipment continued to evolve. Under the overarching vision of defeating the insurgent IED network before the IEDs themselves are a threat to Coalition Forces and Afghan National Security Forces (ANSF), a number of initiatives to reduce the threat emerged in Afghanistan over the past year. Our ability to study and analyse IED events and learn from insurgent tactics and methods was greatly enhanced with the stand-up of the Multi-Disciplinary Exploitation Capability. Instrumental to the development of this capability was support from our partners at the Canadian Security Intelligence Service and the Royal Canadian Mounted Police. A significant milestone was achieved with the implementation of the training and mentoring program for Afghan National Army (ANA) Explosive Ordnance Disposal and IED Disposal (IEDD) operators; Kandahar was the first Afghan province to see mentored operators conducting IEDD operations on the battlefield.

A revitalized approach to the lessons learned process is showing positive results, but the initiative is still in its early stages. Defence is committed to learning from its own experiences and those shared with our partners and allies. As the lessons learned become clearer, the Department intends to incorporate them into best practices with a view to increasing our effectiveness in domestic and international operations.



Canada supports mine clearance and mine-risk education in Afghanistan. As a result of demining along electricity transmission corridors from Uzbekistan, power supply to Kabul increased significantly during the quarter.
Source: www.afghanistan.gc.ca

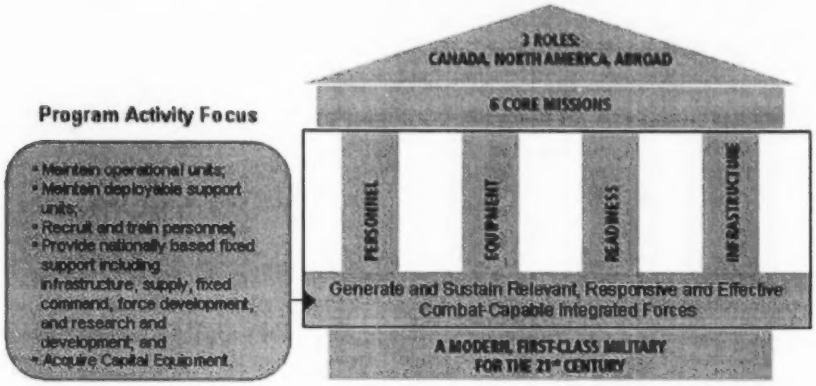
Strategic Outcome: Canadians' confidence that DND/CF have relevant and credible capacity to meet defence and security commitments

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces

This program activity consists of all the activities necessary to design and develop force structure, to create the capability components, to generate the forces, and to sustain and maintain the forces over time at the appropriate readiness levels. It is designed to generate and sustain forces capable of Maritime Effects; Land Effects; Aerospace Effects; and Joint, National, Unified and Special Operations Forces.

The following diagram illustrates the dedicated focus areas of Generate and Sustain Integrated Forces as identified in the Defence Program Activity Architecture. This program activity is directly aligned to the four pillars - Personnel, Equipment, Readiness and Infrastructure - of the *Canada First* Defence Strategy.

Figure 8: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces Focus Areas


3 ROLES:
CANADA, NORTH AMERICA, ABROAD
6 CORE MISSIONS
Program Activity Focus
• Maintain operational units;
• Maintain deployable support units;
• Recruit and train personnel;
• Provide nationally based fixed support including infrastructure, supply, fixed command, force development, and research and development; and
• Acquire Capital Equipment.
PERSONNEL
EQUIPMENT
READINESS
INFRASTRUCTURE
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces
A MODERN, FIRST-CLASS MILITARY FOR THE 21st CENTURY

For the 2008-09 fiscal year, the *Report on Plans and Priorities* identified a number of key initiatives, including:

- Concentrate special effort in the recruitment, development and retention of military and civilian members to renew and strengthen Canada's Defence Team;
- Make mental health services a priority and alleviate deployment related stress for service personnel and their families;
- Strengthen HR planning and expand the civilian component, in a number of stressed trades, to effectively support the military and its force generation activities;
- Make improvements to the overall acquisition system and take action in response to the recommendations from the *Independent Panel on Canada's Future Role in Afghanistan*;
- Demonstrate capabilities of CF to meet Defence commitments; and
- Direct activities to enhance and rebuild infrastructure and facilities.

Performance Summary

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces				
Expected Results	**Performance Indicators**	**Targets**	**Performance Status**	**Performance Summary**
Canadians confidence that DND/CF have relevant and credible capacity to meet defence and security commitments	Public opinion	N/A	N/A	Public opinion research conducted in 2008-09 found that: • Canadians are highly confident that the CF can effectively respond to natural disasters in Canada (93% confident); • Over eight in ten (83%) feel confident that the CF can respond effectively to a terrorist attack in Canada; • Around nine in ten (87%), have confidence in an effective response by the CF to a humanitarian crisis abroad caused by a natural disaster; and • A similar proportion of Canadians (86%) is confident *and* finds it important (87%) that the military can respond to security threats at the Vancouver 2010 Olympics.
	Regular Force Recruitment	7995 personnel	Mostly Met	The CF mostly met its Regular Force recruitment goal with 7,701 members. However, due to high attrition the Regular Force strength increased by approximately 1,494. Sustained focus is still required for stressed occupations where only 43 percent of targeted occupations achieved growth, 50 percent lost more personnel than were recruited and six percent maintained strength. In order to help achieve the recruiting target for this fiscal year, the Department over-recruited for the infantry occupation by 44 percent. Once over-recruiting of the infantry occupation is factored out, the recruiting success rate was 88 percent of the established target.
	Progress of planned investment in core capabilities as per RPP 2008-09	11 planned investments in core capabilities	Mostly Met	10 planned investments on track as per 2008-09 RPP
	Actual expenditures of investment in infrastructure maintenance and repair (M&R)	$418M	Mostly Met	$339M
	Actual expenditures in capital construction	$522M	Mostly Met	$495M
	Delivery of equipment in accordance with the *Independent Panel on Canada's Future Role in Afghanistan*	Deliver equipment requirements resulting from the Panel's recommendations	Met All	All equipment identified in the report of the *Independent Panel on Canada's Future Role in Afghanistan* was delivered on time and within or below budget.

Alignment to Government of Canada Outcomes
Economic Affairs: Strong economic growth Defence contributes to the economic prosperity of Canadian communities in several ways. Careers with the Canadian Forces are readily available, either full-time as members serving in the Regular Force or part-time as members in the Reserves. The CF offer unlimited career possibilities, exciting challenges, the opportunity to learn new skills and work close to home or travel abroad. Nearly 70 types of different full- and part-time civilian career opportunities are available to Canadians in a number of professional, technical and administrative fields. Through significant investments in equipment and infrastructure projects, Defence is also creating private sector jobs in many Canadian industries. For example, Defence capital construction investments helped sustain almost 2,700 full-time jobs during the fiscal year.

Sources: Assistant Deputy Minister (Finance and Corporate Services) Group; Chief Military Personnel Group; Assistant Deputy Minister (Civilian Human Resources) Group; Vice-Chief of the Defence Staff Group

Notes: The performance status terminology prescribed by the Treasury Board was applied to the above table as follows:

- **Exceeded** – More than 100 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Met All** – 100 percent of the expected level of performance for the expected result was achieved during the fiscal year.
- **Mostly Met** – 80 to 99 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Somewhat Met** – 60 to 79 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Not Met** – Less than 60 percent of the expected level of performance for the expected result identified was achieved during the fiscal year.

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces 2008-09 Financial Resources ($ thousands)					
	2007-08	2008-09			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
Departmental Spending	13,574,751	14,518,271	15,047,593	15,555,707	14,726,861
Capital Spending (included in departmental spending)	2,814,708	2,984,924	3,390,779	3,461,792	2,847,047

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

Note:

1. The total authority column is the department's internal breakdown of the approved votes into PAA reporting categories. It does not represent the voted authorities approved by Parliament.
2. Departmental Spending and Capital Spending includes the allocation of Internal Services. For details, see *Section III: Other Items of Interest – Internal Services*.

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces 2008-09 Human Resources (FTEs)			
	Planned	Actual	Difference
Military	53,183	52,971	(212)
Civilian	22,690	24,827	2137
Total	**75,873**	**77,798**	**1925**

*Due to rounding, figures may not add up to totals shown

Data Source: Human Resources Management System reports as of 31 March 2009

Sources: Chief Military Personnel Group, Assistant Deputy Minister (Civilian-Human Resources) Group, Vice-Chief of the Defence Staff Group

Notes:

1. Military FTEs represent Vote 1 and Vote 5 Regular Forces and do not include Class "C" Primary Reserve Forces. All Class "C" Primary Reserve Forces are attributed to the program activity Conduct Operations.
2. Military FTEs are derived from a representative financial formula, as there is not a consistent 1:1 relationship between FTEs and program activities.

3. The civilian workforce is planned through a Salary Wage Envelope (SWE); therefore, FTE figures represent an equivalent dollar value.
4. Civilian FTE figures include Communications and Security Establishment Canada (CSEC), National Search and Rescue Secretariat (NSS), and the Office of the Ombudsman (OMB). For further information on these organizations please refer to *Section III: Other Items of Interest – Selected Defence Portfolios*.
5. Civilian FTE figures for this program activity include 77.7 percent personnel attributed to Internal Services.
6. Due to reprioritization of operational and/or management initiatives within the fiscal year, personnel are reallocated to other program activities as required.

Performance Analysis

The Defence Team

Delivering on the Defence mandate, CFDS commitments and targets identified in the *Report on Plans and Priorities* requires the personal leadership and attention of every employee at each level of the CF and the Department. As members of the Defence Team, Regular Force personnel, Reservists and the civilian workforce have a focused and aligned approach to ensure that Defence has the best means to serve Canadians at home and abroad, to provide stewardship of public resources, to engage with Canadian industry and to provide tangible and lasting benefits to communities.

Military Personnel

Defence instituted innovative approaches to integrate and synchronize attraction, recruiting and training practices to ensure the success of force expansion goals and objectives. At the end of fiscal year 2008-09, the Department had attained 88 percent of its CF recruitment targets and CF attrition had stabilized to 9.1 percent. Yet, many technical occupations, particularly in the navy, remain a significant recruiting challenge. The shortage of qualified workers is a reality shared with other Canadian employers. The CF continued to actively compete to attract and retain these skilled people and to develop and implement recruiting strategies to address shortages in specific areas.

In partnership with Veteran Affairs Canada (VAC), Defence continued its commitment to the health and well-being of Canada's military personnel with the opening of a new Operational Stress Injury (OSI) clinic at the Royal Ottawa Hospital Mental Health Centre. Defence also announced the establishment of a national network of eight support centres known as the Joint Personnel Support Unit (JPSU). The JPSU improves the quality of care and services provided to ill and injured CF personnel and their families and ensure that they have access to the same high standard of care and support across the country.

Families continued to be recognized as the 'Strength behind the Uniform'. Their strength and flexibility throughout deployments, postings and training helped make our military successes possible. New operational realities continued to drive the need for the CF to improve policies and programs for the care of the fallen, injured and their families.

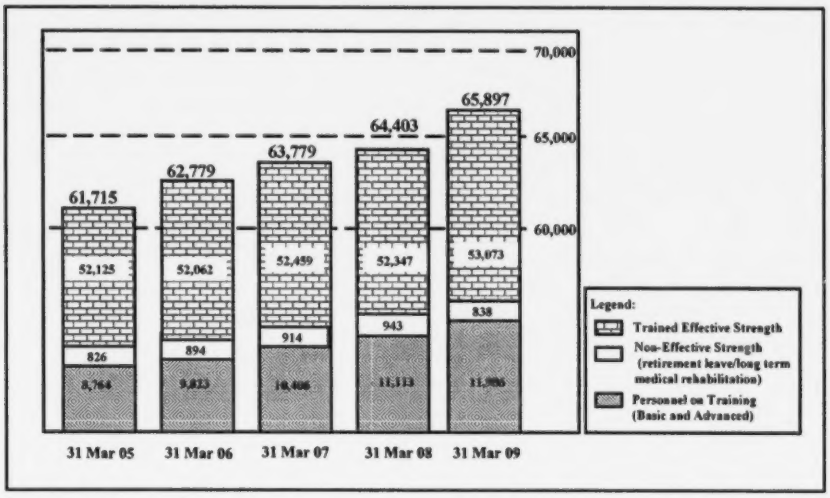
Force Expansion

Regular Force

Figure 9 depicts Regular Force strength growth from 31 March 2005, the start of expansion. In fiscal year 2008-09, strength increased by approximately 1,494. However, trained effective strength[16] personnel numbers marginally increased. The reason for this is two-fold. First, most new recruits are currently in the training system. Depending on entry program and military occupation, they are expected to reach trained strength status and be fully employable within two to five years. Secondly, while it was expected that attrition would increase during a period of expansion (as attrition in the untrained category is higher than average), overall attrition was less than projected.

[16] Trained effective strength refers to the number of personnel trained to an employable standard for their occupation.

Figure 9: 2008-09 Regular Force Expansion Strength Report



Note: Graph is not to scale

Source: Vice-Chief of the Defence Staff Group

Data Source: Assistant Deputy Minister (Information Management) Director Human Resource Information Management (DHRIM) monthly reports

Note: The timing of data extracts may cause data to vary slightly from Chief Military Personnel production, attrition, recruiting, retention and analysis (PARRA) report numbers, and previous DPR reports.

Primary Reserve

No specific growth target was set for fiscal year 2008-09 for the Primary Reserve Force as its 26,000 average paid strength was largely achieved in fiscal year 2007-08. Most of the growth in Total Strength occurred in the Army Reserve. Please see *Section III: Other Items of Interest - Reserve Force Expansion Annual Strength Report* for more information. The sustainment of Joint Task Force Afghanistan required an increase in the number of Reservists employed on Class C contracts during the reporting period.

For more information on the Reserve Force, please see *Section III: Other Items of Interest - Reserve Force.*

Recruitment

In April 2008, the CF unveiled the second phase of its highly successful *Fight* recruitment campaign. The ads showcased the vital role the CF play in defending Canada's Arctic and securing our borders in the hopes of inspiring young men and women to join the military. A revamped CF recruiting website was also launched (www.forces.ca). This website affords visitors a unique online experience and provides those interested in a military career access to the latest information regarding educational and training opportunities. It also allowed the CF to reach beyond traditional venues to provide better awareness and exposure of CF opportunities for those Canadians who have had little to no contact or understanding of the CF.

Over the last few years, Canadians have responded to the career opportunities being offered by Canada's military with the enrolment of recruits having almost doubled since 2000. The CF continued to meet recruiting targets in some occupations and in some cases exceed them. However, sustained focus is still required to bring stressed areas to manageable levels. In summary, 43 percent of targeted occupations achieved growth, 50 percent lost more personnel than were recruited and six percent maintained strength. In order to help achieve the recruiting target for this fiscal year, the Department over-recruited for the

infantry occupation by 44 percent. Once over-recruiting of the infantry occupation is factored out, the recruiting success rate was 88 percent of the established target.

There continued to be over fifty stressed occupations across the CF, ranging from Naval Electronic Technicians to Avionics Technicians to medical service providers where recruiting challenges remain. Recruiting shortfalls were addressed through focused attraction efforts for specific occupations, by promoting subsidized education opportunities at Canadian community colleges and focusing on priority occupations at job fairs, at Service Canada and other employment opportunity venues across the country.

While recruiting efforts intensified over fiscal year 2008-09 to address these occupations, the ability of the training system to qualify new personnel for operational deployment required careful oversight to ensure that all activities from recruiting to basic qualification were made as efficient as possible.

Retention

Increasing the size of a large organization such as the CF is a major endeavour, requiring both time and significant resources. To achieve this growth, the CF must not only recruit new people, it must also retain existing personnel.

Figure 10 demonstrates the gradual growth of the CF over the last six years. Over that period, the Regular Force has grown by almost 4,500 personnel and the Primary Reserve has added about 2,000 new members.

Figure 10: The Strength of the Regular and Reserve Forces 2004-2009

	Regular Force	Reserve Force			
As of		Primary Reserve Total Paid Strength	Cadet Instructors Cadre (CIC)	Canadian Rangers	Supplementary Reserve
31 Mar 04	61,394	23,600	6,764	4,096	35,000
31 Mar 05	61,715	23,700	7,050	4,179	39,536
31 Mar 06	62,779	23,902	8,014	4,448	32,526
31 Mar 07	63,779	25,231	7,479	4,266	27,726
31 Mar 08	64,403	25,640	7,742	4,244	28,665
31 Mar 09	65,897	25,674	7,690	4,323	23,629

Source: Vice-Chief of the Defence Staff Group, Chief Military Personnel Group, Chief of Land Staff Group

Data Source: ADM(Fin CS) Revised Pay System for the Reserves (RPSR) monthly records; ADM(IM) Defence Human Resources Information Management system; Human Resources Management System (HRMS) monthly data retrieval; Directorate of Cadets – Youth Program End Year Report for fiscal year 2008-09

Notes:

1. Regular Force personnel are employed full-time and have usually signed long-term contracts committing them to regular service. Regular Force reported strength does not include Class C Primary Reserve personnel.
2. Primary Reserve personnel train regularly and may be employed with their Regular Force counterparts on a full-time basis. There are three "classes" of service in the Primary Reserve: Class A (employed part-time in Canada), Class B (employed full-time in Canada) and Class C (deployed on operations). The existence of these three classes of service means that not all Primary Reserve personnel will be working on any given tasking.
3. Other subcomponents of the Reserve Force are the Supplementary Reserve (former personnel who could be called out in an emergency), Canadian Rangers (who constitute a military presence in isolated and sparsely settled areas of Canada's Northern communities) and the Cadet Instructors Cadre, or CIC (officers with administrative, instructional and supervisory responsibilities to the cadet program).
4. Reported strength data may vary from previous DPRs due to refinements made to the data and/or the timing of the data extract.
5. Significant decrease in membership of Supplementary Reserves for five-year fiscal period 2004-05 to 2008-09 due to clearing backlog of releases for members having reached or surpassed ten years of service. Increase from fiscal year 2006-07 to fiscal year 2007-08 due to members not released as per policy in order to allow members to elect for pension

purposes. Mass release from fiscal 2007-08 to fiscal year 2008-09 of members having reached ten years of service as well as members with two plus years of invalid contact information.

Attrition

The rate of total attrition increased from 6.8 percent in March 2006 to 8.3 percent by March 2007 and again, to 9.1 percent by March 2008. As of March 2009, the rate had stabilized at 9.1 percent.

Research has indicated that the main reasons for personnel leaving the CF early in their career included physical fitness, personal and family issues, and a poor fit with the chosen occupation or with military life in general. In terms of middle-career and longer-term attrition, the CF experienced a surge in the number of personnel who have become entitled to retirement benefits. To address these issues, the CF initiated development of a CF Retention Strategy focused on three guiding principles: leadership, selection, and needs of the members and their families.

For more information, please see *Section III: Other Items of Interest – Regular Force Attrition Trend.*

Training and Education

Defence remained committed to ensuring that all CF members develop their full professional and intellectual potential. Along with performing traditional combat roles, CF personnel are also required to be diplomats, humanitarians and technical experts in a variety of fields. Training and education is about ensuring that CF personnel receive the right training at the right time to apply military and technical principles and procedures expertly, are educated to improvise and adapt to constantly changing threats, and that opportunities are available for operational employment earlier in and during a larger portion of their careers. The CF individual training system worked to address the increased demand by actively exploring and implementing alternative training delivery strategies. The CF partnered with community colleges both in the areas of accrediting civilian courses as equivalent to military courses and tailoring courses to meet CF requirements, and expanding the use of distributed learning systems and providing increased opportunities for contracting in and out services.

Force Expansion continued to create challenges for the CF training system that had to address basic training capacity issues and environmental course schedules to ensure optimum training throughput. Expanding the CF remained a national priority and continued to have a significant impact throughout the entire military personnel management system beginning with the challenges associated with attraction, recruitment and delivering basic and occupational training, while supporting an increased volume of CF personnel and their families. The CF reassessed current training resources to adapt to operational requirements and developed a number of progressive approaches in training delivery that included partnering with civilian institutions, the stand-up of the Royal Military College Saint-Jean, and the use of Reservists to augment the training system.

Health Services and Support

The physical and mental health of CF members is inextricably linked to the readiness, effectiveness, and efficiency of the CF as a fighting force. Over the past several years, the CF has put into place a full range of programs and initiatives to enhance the level of health services, both in support of operations and for

Did You Know?

The health and well-being of CF families is a top concern for DND/CF. Families of CF personnel are active and contributing members of the communities where they live, but the need to develop initiatives to enhance services relevant to the needs of today's military families is recognized. *"The families of CF members make incredible sacrifices. They are pillars of our strength. They are the true volunteers of the Canadian Forces,"* said General Natynczyk in a November 2008 speech. During 2008, a CF Family Covenant was developed which reflects a commitment to families and serves as the cornerstone from which to continue to enhance military family services.

operational readiness care. Key initiatives progressed in fiscal year 2008-09 ranging from partnering with Veterans Affairs Canada (VAC), to opening a new Operational Stress Injury (OSI) clinic at the Royal Ottawa Hospital Mental Health Centre, to progressing on the relocation of the CF Health Services Centre (Ottawa) to the Montfort Hospital Campus, to the launch of a new CF Health and Physical Fitness Strategy designed to raise awareness and levels of health and physical fitness within the CF. The latter is intended to better meet operational requirements and to enhance health care benefits for Reserve members.

Care and Support for the Ill, Injured and their Families

The CF continued its commitment to provide enhanced support services to all military members and Veterans who were injured or medically released or who became ill while serving, and also to support their families. Through centrally-managed and locally-delivered programs and services, such as the *one-stop service centres* under the Joint Personnel Support Unit (JPSU) initiative, the CF ensured that a consistent level of care and support, including Chaplain and spiritual support, continued to be provided and readily available across the country.

A key initiative undertaken to ensure that family services programs continued to evolve and meet the needs of the CF community was the CF Family Services Summit. Two summits were held, in May 2008 and January 2009, to facilitate consultations among military and community leaders, service providers and CF family members, and to enhance the Military Family Services Program. A key outcome of these consultations was the CF Family Covenant. The Covenant is a CF commitment to recognize, honour and partner with families of CF personnel to enhance military family life. Throughout the 2008-09 fiscal year, spouses of CF personnel actively served as members of CF advisory committees and working groups and contributed to the enhancement of Deployment Support and Child Care policies and programs. Family members, Military Family Resource Centre staff and volunteers, developed recommendations and strategies collaboratively that have formed the basis for trial initiatives that are currently being pilot tested in CF communities across the country. For additional information on Military Family Resource Services please see the CF Family Resource website.

Response to Standing Committee on Public Accounts

Throughout the reporting period, Defence continued to meet the Government's commitments outlined in its responses to Reports of the Standing Committee on Public Accounts. Specifically, Defence progressed commitments made in the Government's response to Chapter 2 of the May 2006 Report of the Auditor General of Canada on National Defence – Military Recruiting and Retention and its response to Chapter 5 of the November 2006 Report of the Auditor General of Canada, Relocating Members of the Canadian Forces, RCMP, and the Federal Public Service. For additional information on the Standing Committee Reports noted above, please refer to *Section III: Supplementary Information – Responses to Parliamentary Committees and External Audits*.

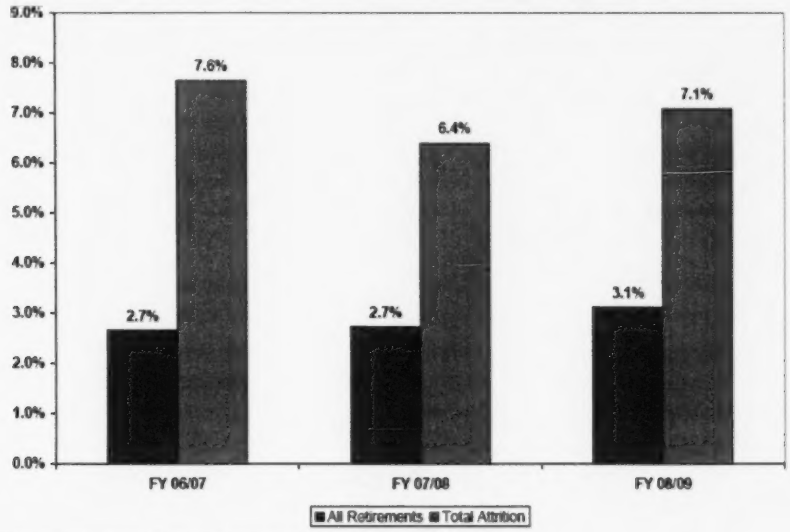
Civilian Personnel

Defence as an institution is about the people, the core mission, and the supporting capabilities. The *Canada First* Defence Strategy (CFDS) recognizes that, in addition to equipment, infrastructure, and support, people are fundamental to our success in delivering on the Government's defence agenda. Strong leadership and support for excellence in human resources management is critical to the long-term success of the institution.

As of 31March 2009, the civilian workforce totalled 27,305 FTE personnel. High operational tempo, CF transformation and expansion have placed significant demands on civilian growth requirements. Programmes and initiatives, such as the apprenticeship programme, the necessary surge in project

management personnel and support to deployed operations, have increased the total number of civilian personnel. However, it is also forecasted that the Department will be challenged to recruit and retain sufficient talented workers as the number of individuals eligible for retirement increases in the years to come. The Department continues to hire staff now and for the next four years, in special/new skills areas to combat rising attrition as a temporary risk-mitigation measure to ensure the civilian workforce is sustained in the longer-term.

Figure 11: Total Attrition and All Retirements by Fiscal Year



Source: Assistant Deputy Minister Human Resources (Civilian) Group

During fiscal year 2008-09, civilian human resource initiatives continued to be developed and delivered in line with governmental objectives such as the Clerk of the Privy Council's Public Service Renewal initiative and Defence business requirements. The following figure represents only those that required new investments.

Figure 12: PS Renewal Management Priorities and Departmental Spending

PS Renewal Management Priorities	Departmental Spending		
	Planned Spending ($ million)	Actual Spent ($ million)	Difference ($ million)
Recruitment	1.8	1.8	0.0
Apprenticeship and Occupational Development (AODP)	18.6	14.3	4.3
Succession Planning	0.302	0.321	(0.019)
Retention	0.354	0.239	0.115
Employment Equity	0.345	0.114	0.231
Policy Instrument – Collective Work Descriptions[17]	1.24	0.920	0.32

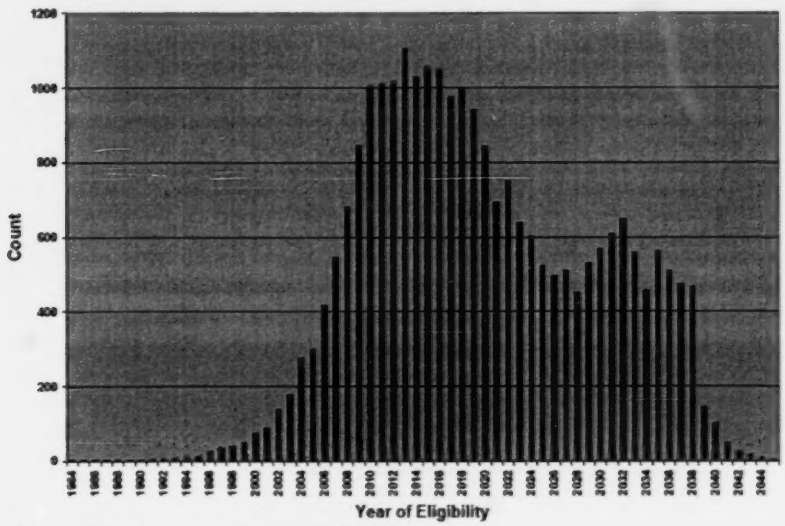
Source: Assistant Deputy Minister (Human Resources-Civilian) Group

Many civilian employees will retire over the next five years and with an ageing Canadian population, there will be fewer people entering the labour market. Defence will have to compete with other organizations, in both the public and private sectors, to get and keep the employees we need to meet the

[17] Collective Work Description: A work description that records the work assigned to a number of identical positions at the same occupational group and level. This type of work description can describe identical work across organizational boundaries.

Department's business objectives. To meet its mandate and its future operational demands, and at the same time address the many human resources management challenges, Defence has put in place key integrated plans to recruit new talent while developing and encouraging existing talent to stay with the Department. Defence is shifting from filling the vacancies to broadening choices with engaged people doing the right work in the right place at the right time.

Figure 13: Retirement Eligibility Indeterminate Civilian Population as of March 31, 2009



Source: Assistant Deputy Minister (Human Resources-Civilian) Group

Integrated Planning

"Integrated planning must be implemented by line managers. They are in the best position to integrate corporate and departmental goals and priorities with precision. Only they can decide how best to allocate resources by aligning the organization's people capabilities with its business imperatives."[18]

Department-wide HR planning for the civilian component of the Defence Team is well into its fifth year. Throughout this reporting period, human resources requirements formed part of the Defence Team discussions on plans and priorities, program performance and budgeting. The performance agreements of senior managers were aligned to clearly articulate responsibility for people management and HR requirements as a critical part of Defence's business planning and decision-making process. There is still progress to be made with integration; efforts continue to strengthen HR planning and business planning at all levels throughout the organization.

The process of planning and managing succession is a subcomponent of the broader integrated HR and business planning process. During the past fiscal year, we established a succession planning framework that necessitated an integrated, systematic approach to identify, develop, and retain talent for key positions and areas in line with current and projected business objectives. In addition to the succession planning framework, guidance and tools were developed to assist with our workforce and succession planning efforts at all levels. Through their promotion, Defence will continue to identify and develop high performing leaders capable of meeting the future needs of Defence and to facilitate the transfer of knowledge to the next generation of the Public Service.

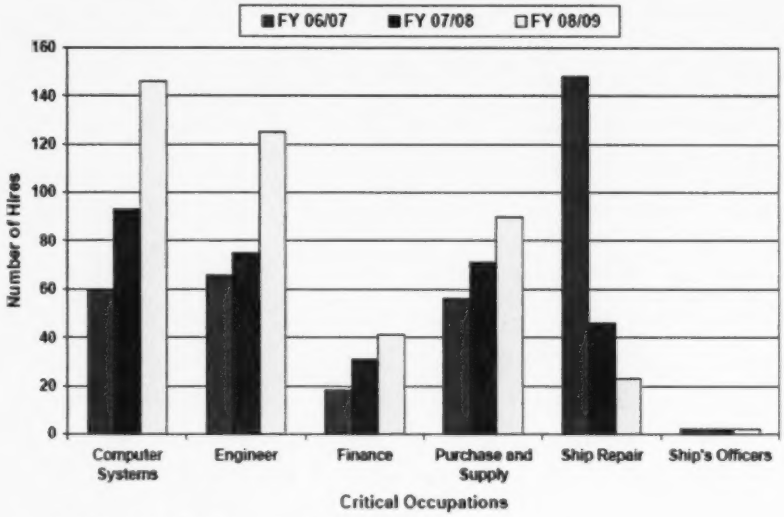
[18] *Report of the Expert Panel on Integrated Business and Human Resources Planning in the Federal Public Service*

Employee Recruitment and Retention

Over the last year, the Department observed good progress on civilian recruitment, as well as the specific commitments for action included in the *2008-09 Public Service Renewal Action Plan.* We exceeded our target of 175 post-secondary graduates in hiring 214, at minimum. For specific stressed occupations (i.e. purchase and supply, engineer, computer science, finance, ship repair personnel, and ship officer), total hires were 427. Further, Defence's policy intern recruitment program continued to show results in fiscal year 2008-09 where the number of hires increased by 50 percent. This success allowed the Department to increase placements in other government organizations thereby exhibiting leadership excellence not only in the development and capability of our future policy leaders, but also in the enhancement of the whole of the public service.

The following chart indicates the number of hires within stressed occupations. Of note, the decrease in the number of hires for Ship Repair is attributed to a change in hiring practices. New hires are brought in on temporary status, developed over a three-year period then rolled over to indeterminate status.

Figure 14: Indeterminate Hires – Activity Fiscal Years 2006-2009 (PWGSC Mobility Files)



Source: Assistant Deputy Minister Human Resources (Civilian) Group

More precision on strategic intake plans has achieved increased recruitment, development and advancement of visible minorities and Aboriginal peoples. However, some under-represented areas remain, namely the equitable representation of visible minority groups. In response, a forward-looking research plan for the civilian workforce in Defence has been established, providing information on key personnel issues to inform program and policy development and to align workforce requirements with future demographics.

The Apprenticeship and Operational Development Program (AODP) serves to expand the civilian workforce general trades' requirements to effectively support the military component of its force generation activities. AODP investments currently support 364 apprentice and operational development employees. Of the planned 165 new entrants into this program, a total of 145 were accepted this year, thus meeting 87 percent of our target. Given the labour market pressures and regional demographic challenges faced by a dispersed organization such as Defence, successes such as this will ensure that the AODP program in the Department remains strong and robust.

Research shows that employees engaged in their work are less likely to leave their organizations or even to look for other employment. To retain talent in the Department, a retention strategy was developed based on three key elements: effective management, career development and communication. A fundamental pillar of the Defence Retention Strategy is the role of managers and people management — a principal element in the Public Service Renewal action plan advocated by the Clerk of the Privy Council Office. *A Practical Guide to Alternative Work Arrangements* has been developed to inform civilian employees and their managers (either civilian or military) about some of the options to adapt their work schedule to meet personal and professional commitments.

Employee Development

Learning and professional development is a key element in the advancement of a first class, modern Defence Team. A spirit of lifelong learning is emphasized within Defence to help civilian employees be effective and productive in a changing environment. In an effort to synchronize learning with the needs of the military and the Public Service, strategic documents, policies and program activities related to civilian learning, training and development have been aligned with the CFDS, the Public Service Renewal Strategy, and various Treasury Board Policy instruments.

To better position both military and civilian managers/supervisors to play their role effectively in managing civilian employees, mandatory training was revised and re-launched and a broader training strategy is being developed to strengthen this aspect of the military officers' training program.

Building an open, borderless learning organization requires change. In the fall of 2008, in an effort to raise awareness and to engage senior leaders, we instituted an executive orientation program to support executives better in achieving the Department's mandate, in gaining a better appreciation of the mixed civilian/military culture and in identifying behaviours conducive to successful leadership. To support leadership at the employee level, Defence launched a mentoring program in December 2008 that offers an opportunity for employees to enhance their existing skills, to expand their knowledge, and to develop public service leadership competencies needed to shape the future of the Department.

Did You Know?

Almost half of the civilians working at DND across Canada are working in skilled trades providing essential services and support to the CF. On the west coast, employees can train as part of an apprenticeship training program started in 1927 at the "corner garage," or as it is officially known the Fleet Maintenance Facility Cape Breton Shop at CFB Esquimalt. These civilians perform work on submarines as well as ships, and other challenging and diverse careers in the industrial trade shops and trade services.

Enabling HR Infrastructure

Recent changes in the Government of Canada's HR governance regime have clarified and reinforced that good HR management is critical to the effective delivery of departmental business objectives. As such, Defence has looked at a variety of means to reformulate how its HR services are provided, as well as business transformation opportunities that will enable the best use of people and opportunities.

Throughout fiscal year 2008-09, integrated business and multi-year HR planning provided more accurate and detailed forecasting of civilian HR requirements that produced better HR intake plans in terms of people management and more timely hires. The Department also undertook a review of its hiring practices, tools, policies and guidelines, from pre-selection to appointment. Several advances were made to help ease the hiring process for managers. These included marketing and communications efforts to address internal and external challenges in recruitment and outreach and advocating effective staffing strategies such as the use of collective processes, pools and screening/assessment material.

To promote further responsibility for people management throughout the organization, the Department now has a plan to extend staffing delegation. Finally, Defence has, in partnership with other government departments, contributed to delivering a common-hosted environment for the development of HR applications. Benefits gained in the advancement and adoption of existing HR applications have allowed Defence to take positive steps towards addressing horizontal barriers in HR thus further strengthening the Department's ability to work collaboratively and move forward on the overall agenda to reduce HR process burden.

Equipment

The Government of Canada is delivering on its *Canada First* commitment to strengthen Canada's multi-role, combat-capable defence force. Defence is purchasing equipment and related support services for the CF. The Government is doing procurement faster and fairly, getting the right equipment for the CF, at the best price for Canadians, with benefits for Canadian industry.

The Chinook helicopter is ideal for manoeuvring in the mountains of Afghanistan such as here, in the Tora Bora region.

Photo: Cpl Lou Penney

During fiscal year 2008-09, the Department was challenged with delivering urgently required equipment for the CF in Afghanistan, as recommended by the *Independent Panel on Canada's Future Role in Afghanistan*. Through the prior institution of a series of procurement reforms, the Department was able to deliver equipment more expeditiously. For example, timeframes for the acquisition of materiel were reduced from 107 months to less than 48 months. This was achieved through implementation of the following reforms:

- Minimization of technical specifications for off-the-shelf capabilities;
- Realignment of scarce resources into two major project divisions to oversee key transformation projects. These divisions act as centres of expertise providing focused, highly-skilled personnel, capable of managing complex acquisitions;
- Use of high-level, performance-driven military specifications whenever possible;
- Assessment of proposals based upon best overall value; and
- Establishment of long-term, domestic-based, in-service support contracts in conjunction with system acquisitions, with a single entity being accountable for system performance and availability.

Acquisition

As noted above, the Government delivered on the following equipment requirements resulting from the recommendations of the *Independent Panel on Canada's Future Role in Afghanistan*, ensuring the CF obtained urgently needed equipment, ahead of schedule and either within or below budget. This equipment included:

- High-performance NOCTUA UAV (Unmanned Aerial Vehicle) as an interim to the Joint UAV Surveillance and Target Acquisition System;
- Used Chinook-D helicopters;
- Chartering of commercial helicopters;
- Mission-modified Griffon helicopters for deployment to Afghanistan; and
- Interim and longer-term Army Small UAVs.

Over and above the requirements of the recommendations of the *Independent Panel on Canada's Future Role in Afghanistan*, the Department procured additional equipment urgently required for Afghanistan. These included:

- Acquisition and delivery of 58 new Expedient Route Opening Capability vehicles for the detection and disposal of explosive threats;
- Completion of numerous vehicle survivability upgrades; and
- Delivery of Armoured Heavy Logistics Vehicles to replace lightly protected logistics vehicles.

The swift acquisition and deployment of the equipment noted above helped to improve the safety of the CF and its ability to prepare for and fulfill its many operational commitments. For more information on these acquisitions and their strategic impact on CF readiness and operations, please see the *Program Activity: Conduct Operations* and the sub-section on *Readiness* in this report.

The CFDS called for the modernization of the CF through the replacement of major fleets and core platforms as well as the improvement and replacement of key existing equipment and capabilities. In response, a number of key initiatives were launched to secure the required policy approvals and establish the procurement strategies.

Additional achievements were announced during the fiscal year and provide a stimulus to the Canadian economy in line with the recent Speech from the Throne:

- In April 2008, the refit portion of the Halifax Class Modernization/Frigate Life Extension Project (HCM/FELEX) valued at $900 million was announced at the Halifax Shipyards in Nova Scotia and at the Victoria Ships Ltd, in British Columbia;
- In July 2008, the LAV III service and maintenance contract, valued at $347 million;
- In August 2008, a number of Afghanistan air capabilities, valued at $438 million, including six Chartered Helicopters (MI17s), six Chinook-Ds, a small UAV (Scan Eagle), and a two-year lease for a tactical (Heron) UAV;
- In September 2008, the Combat Systems Integration and Command and Control System portion of the HCM/FELEX project, valued at $2.0 billion;
- In January 2009, 1,300 Military Commercial off-the-Shelf Vehicles, valued at $274M.
- In February 2009, simulation training for the new CC-130J Hercules fleet valued at $346 million was announced at CAE Inc. headquarters in Montréal, Quebec; and
- In March 2009, two long-term support contracts for the Army's Land Command Support System, valued at $525 million.

Response to Standing Committee on National Defence

Throughout the reporting period, Defence continued to meet the Government's commitments outlined in the response to the Standing Committee on National Defence report, Procurement and Associated Processes, tabled in February 2008. For further information on the status of reforms to the Defence procurement system, please see *Section III: Supplementary Information – Responses to Parliamentary Committees and External Audits*.

Did You Know?

In March a single contract award was announced to outfit Regular Force, Reservists, and Cadets with top-of-the-line gear. Optimized by the supplier for ease of use, efficiency for Defence, and most importantly convenience for members, the contract will inject close to $200 million into the economy and secure 550 Canadian manufacturing jobs in Quebec, Ontario, Manitoba and Nova Scotia. The contractor will provide manufacturing, design support services, inventory management, order taking warehousing and distribution of military clothing.

Readiness

Readiness refers to the CF's flexibility and preparedness to deploy in response to Government direction. It encompasses the resources needed to maintain equipment, conduct training and prepare units for operations.

The Canadian Government recognizes that, if Defence is to be effective in such difficult and diverse environments as the Arctic and Afghanistan, the CF need adequate resources for training, spare parts and equipment. As Defence progresses the implementation of the *Canada First* Defence Strategy's 20-year Investment Plan, CF readiness is beginning to improve. Planned, rather than ad-hoc, investments are contributing to training personnel to required levels and to making equipment available for both training and operations.

During the reporting period, improvements to readiness were given high priority in the Investment Plan. Overall allocations increased by $70M from the previous fiscal year. This increased funding has improved the army, the navy, and the air force's ability to conduct training to meet the required readiness levels. The Department will ensure that funding remains available for the CF to maintain adequate flexibility and preparedness to deploy quickly and effectively in response to Government direction.

Generate and Sustain Forces Capable of Maritime Effects

The navy's most demanding effort is to generate and maintain combat-capable, multi-purpose maritime forces for employment by operational commanders at home and abroad. The challenge is to strike a balance between meeting current commitments and developing a navy that will be able to fulfill future commitments. Progress was made in executing the HCM/FELEX Project and in advancing the Joint Support Ship and the Arctic/Offshore Patrol Ship projects. Efforts to replace the surface combatant fleet continued.

The navy successfully generated forces to meet all commitments. The submarine HMCS CORNER BROOK attained operational status to support force generation efforts, was available for operational taskings, and contributed to Operation CARIBBE in support of JIATF(S). Personnel shortfalls remained a concern, particularly in the technical trades. A number of initiatives were put in place to address these shortfalls and to ensure the long term health of these stressed occupations. For more information, see the sub-section: *Military Personnel.*

Generate and Sustain Forces Capable of Land Effects

The army's efforts were focused on the successful delivery of combat-effective Land Forces for employment on Task Force Afghanistan as well as on the generation and training of the Joint Task Force Afghanistan Headquarters. In addition, the army successfully reintegrated personnel upon the completion of their operational tours and set the conditions to allow for continued force generation in fiscal year 2009-10. The Army Reserves continued to contribute significantly to meeting the army's force generation tasks both as a vital element in training and in deployment. Domestic priorities centred on continued preparations for the Vancouver 2010 Olympic and Paralympic Winter Games and the G8 Conference in 2010. For more information, see *Section II: Conduct Operations.*

Echoing past years, the army's main challenge continued to be the generation of operational forces for deployment in an environment characterized by CF Transformation, relatively high attrition rates and heightened operational and personnel tempo. Specifically, the replenishment of the army's middle supervisory rank levels continued to represent both a critical challenge and a vital priority. The army addressed this challenge by prioritizing the training of soldiers to the initial supervisory ranks, which over time will close the current supervisory gap in the middle leadership. The reduced availability of serviceable equipment also presented a significant challenge to the army's force generation training

activities. However, equipment shortages were mitigated through the whole fleet management approach, which enabled the provision of essential equipment to support pre deployment training.

Generate and Sustain Forces Capable of Aerospace Effects

The air force continued to transform and re-equip while increasing support to overseas operations. As tactical crews aboard the deployed CC-130 Hercules continued to provide daily airlift support to the CF in Afghanistan, the last of the four CC-177 Globemaster III was received, reducing dependence on charter aircraft for strategic airlift of oversize cargo and giving the air force truly global "reach". Equipped with six used CH-147 Chinook helicopters acquired from the United States Army and eight CH-146 Griffon helicopters, a Canadian Air Wing was established at Kandahar providing escort and airlift of personnel and equipment and thereby reducing the risk of road travel. The new CU-170 Heron Unmanned Aerial Vehicle, leased from MDA Canada for our mission in Afghanistan, replaced the Sperwer, bringing greater endurance, altitude and speed than its predecessor. Continuing support to deployed and domestic operations involved CH-124 Sea King helicopters aboard Canadian frigates that provided maritime and arctic sovereignty patrols and the CF-188 Hornet fighters that participated in NORAD operations and exercises.

Additional major equipment projects continued throughout the year, including:

- Conversion of two CC-150 Polaris aircraft equipped for strategic air-to-air refuelling;
- Refinement of requirements for a new Medium-Heavy Lift Helicopter and Next Generation Fighter capability;
- Resolution of a delayed delivery schedule for new Maritime Helicopters; and
- Preparations to replace the current Hercules by bringing into service new CC-130J tactical transports, starting in 2010.

To ensure a deployable air force, Mission Support Squadrons established at various Wings continued rotating deployments to Camp Mirage in the Middle East.

The pace of CF Transformation and concurrent operational commitments challenged the air force to increase its personnel generation. Progress continued on the transformation of pilot training through the increased use of simulation and the revision of course structure and syllabus. An Air Force Occupational Structure Review and Personnel Strategy were implemented to identify its future requirements for personnel and the means to fulfill them.

Did You Know?

From its arrival in December 2008 through the end of the fiscal year, the JTF-Afghanistan Air Wing logged more than 7365 hours in the air, ferried 25,244 passengers and 4,227,143 kilograms of cargo were moved. Established on recommendations from the *Independent Panel on Canada's Future Role in Afghanistan*, it is a huge benefit to the Afghan mission by reducing reliance on ground transport, providing safe and rapid transport of soldiers and enhanced surveillance assets.

Infrastructure

The Defence realty asset portfolio is one of the largest and most complex in the Government of Canada. To support the CF, the Department maintains extensive infrastructure holdings across Canada, including approximately:

- 21,000 buildings;
- 5,500 km of roads;
- 3,000 km of water, storm and sewer pipes; and
- 2.25 million hectares of land (1 hectare = 10,000 square meters) – four times the size of Prince Edward Island.

The *Canada First* Defence Strategy (CFDS) recognizes the importance of infrastructure in the delivery of the Defence mandate. To remain effective, the existing Defence infrastructure needs to be maintained and upgraded. The CFDS aims to replace or refurbish 25 percent of existing infrastructure over ten years and 50 percent over the next 20 years.

In order to meet the investment goals in the CFDS for infrastructure replacement and Maintenance and Repair (M&R), and to gradually improve the condition of the overall portfolio, the department will continue to place emphasis on increasing annual M&R and capital construction expenditures. The need to improve existing infrastructure is based on a combination of condition and suitability. To improve the current condition, it is necessary to inject funding into Operations and Maintenance (O&M) in particular, to focus on M&R activities to stabilize and slowly improve the overall condition of existing assets. However, while improving the physical condition of the asset is critical to keep the infrastructure functioning properly, sometimes it is not sufficient and the existing real property requires capital construction funding to bring the real property asset up to current operating standards, for example, to comply with barrier-free access guidelines.

The targeted departmental investment in M&R for fiscal year 2008-09 was approximately $418 million, compared to actual expenditures on M&R for fiscal year 2008-09 of $339 million.

The target for investment in capital construction for fiscal year 2008-09 was $522 million. Actual capital construction expenditures were $495 million. Investments in capital construction projects are also investments in the Canadian economy. Defence capital construction expenditures helped sustain almost 2,700 full-time jobs (5.4 job opportunities per million dollars of expenditure).

The required investment in infrastructure is a long-term commitment by the Department. The ability to meet CFDS infrastructure replacement targets will need to be evaluated against such factors as increased operations costs, payment in lieu of taxes and labour costs. Monitoring and reporting on infrastructure investments will be critical to ensuring success.

Examples of the commitments to infrastructure investment include the following:

- An integrated plan has been developed for 8 Wing Trenton to accommodate the new strategic Airlift C-17 aircraft, tactical airlift CC-130J aircraft, and Fixed Wing Search and Rescue replacement aircraft. Interim accommodation has been completed for the C-17 aircraft and ramps have been upgraded to meet the requirements of the larger, heavier

On St. Patrick's Day, Leading Seaman Michael Fraser and his family gathered outside their new home; one of 18 permanent married quarters (PMQ) in Shearwater, N.S., which benefitted from a $4.6 million renovation project. According to LS Fraser, there's no comparison between the old PMQ and the newly renovated one, "The old house provided shelter," he says. "The renovated version provides a feeling of home."

Photo: Corporal Leona Chaisson

aircraft. New permanent facility construction started in 2009.

- Significant progress was made in the construction of the three in-service support facilities for the Maritime Helicopter, the CH-148 Cyclone, at Shearwater, Nova Scotia, including two hangars and an operational support facility totalling approximately 36,000 square metres. Construction is on schedule to meet the 2009 completion date. Additionally, in 2008, the second of two phases of a project to provide water to operate the fire suppression systems in the new Cyclone support facilities, as well as to replace water and sewer lines, was completed.
- The Nanisivik Naval Facility Project is progressing: in fiscal year 2008-09, Defence continued its discussions with the Department of Fisheries and Oceans to acquire the property; an environmental review process was undertaken and broad consultation continued with Indian and Northern Affairs Canada, the Government of Nunavut and various other stakeholder agencies such as Nunavut Tunngavik Incorporated, in regard to project specifics.
- The Army progressed on a number of construction projects in fiscal year 2008-09, including a multi-year project to replace the ageing and unsafe utilities distribution systems that was completed at Gagetown, the construction of new training quarters, as well as the renovation and expansion of a fitness centre at Shilo, Manitoba. The new building will provide additional physical fitness facilities to meet increased training requirements resulting from the move of the 2nd Battalion, Princess Patricia's Canadian Light Infantry and other military personnel to CFB Shilo.

In March 2009, the Minister of National Defence launched the first of a series of announcements at CF bases across Canada to unveil a total investment of $346 million for military infrastructure projects. Since then, additional announcements have been made, and the Minister will continue to communicate the economic benefits generated by Defence infrastructure projects in communities across Canada.

Lessons Learned

Personnel

The realities of modern-day conflict and evolving social norms relating to workforce management have brought about a shift in the way in which the CF attracts, recruits, trains and retains military personnel while providing care and support to CF members and their families. The CF developed new and innovative ways of doing business, including the partnering with community colleges, evolving on the terms of service and enhancing services delivered to injured and ill members and their families. This requires the military personnel management system to continue to be consultative, responsive and flexible in an effort to ensure that the CF remains operationally ready, responsive to the needs of CF members and their families and that it is viewed as an employer of choice.

With respect to the civilian workforce, Defence believes it could make more effective use of interchange programs and external recruitment, and generally facilitate faster entry to the Public Service at all levels through the elimination of process activities and the continuation of its efforts to transform the HR management business processes. An important component of an effective recruitment program is effective orientation and sustained support for external recruits. It is further recognized that recruitment cannot be done in isolation and should be connected directly to succession planning.

Measures have been taken to harmonize work force requirements within an integrated human resource and business planning process to ensure personnel growth is affordable, carefully controlled and directed to departmental priorities. Defence will be challenged to recruit and retain sufficient talented workers as the number of individuals eligible for retirement increases in the years to come. A planned Force structure review will yield recommendations on the appropriate balance between Regular, Reserve and civilian employment.

Equipment

The first priority of a robust and well-equipped CF is to protect Canadians at home and abroad and to defend Canadian sovereignty. To do this, the CF needs the right tools and equipment to get the job done.

Defence has made progress by acquiring the C-17 and Leopard II tanks that have already saved many lives in Afghanistan. However, it has proven difficult to reverse rust-out. Defence needs the support of industry to achieve its goals. After so many years of boom-to-bust cycles in the procurement sector, it is a challenge to re-ignite the industrial complex to rebuild the CF.

In the complex and interconnected global marketplace, the timely availability and unpredictable escalation in the costs of weapons systems materiel and labour can dramatically affect individual project costs and schedules. This is most likely where development activity is required for the systems that are being procured, but it can also be a factor with off-the-shelf system acquisitions. Such was the case in the initial failed attempt at a competitive procurement for the Joint Support Ship project. Soaring labour and material costs in reaction to the changing world conditions put all bidders over the established financial ceiling. This necessitated a rethinking of the procurement strategy and it resulted in a way forward that features consideration of the broader national shipbuilding requirements. The lessons learned in this case will prompt a renewed focus on project estimates and budgets to ensure that they reflect market conditions for the proposed requirement, facilitated in part by increased private sector participation early in the process, and the reduction of risk and cost through the adoption of mature technologies.

The ability to get projects approved and ready for implementation is one of the key investment program activities. Defence conducted a thorough review of internal practices and applied the Treasury Board risk-based approach to project approvals. As such, a streamlined approvals process was developed for lower risk/lower value projects resulting in greater efficiency and in a number of projects being ready to commence immediately.

Readiness

When Canada took responsibility for Regional Command South in Afghanistan, it experienced some difficulty in mounting headquarters for that task. Based on this experience, a decision was made to improve the capability of the current Joint Headquarters in Kingston, Ontario, to ensure the readiness of deployable headquarters to assume leadership of multinational operations in the future.

A revised CF-wide process was developed and put in place in 2008 to better capture lessons learned from the tactical level through to the strategic level. The lessons learned process integrates proven lessons learned procedures used prior to CF transformation with the new mission-command architecture and the increased authorities, where responsibilities and accountabilities are placed in the hands of commanders and delegated authorities.

Infrastructure

The increased number of real property infrastructure projects requires project delivery capabilities. Defence is taking steps to address this risk, including expanding in-house expertise and capacity, and exploring alternative forms of delivery and partnering.

The development of a Real Property Strategy, a National Portfolio Management Plan, and an assessment of the federated governance structure in which real property and expenditures on real property are managed, are part of an overall approach to strengthen lifecycle based portfolio management of real property. To develop a fully-integrated approach, it is recognized that work must continue on process improvement and on disseminating information throughout the portfolio. The National Portfolio Management Framework continues to address these issues.

The use of performance measures and performance reporting continues to evolve, and will help drive portfolio investment decisions.

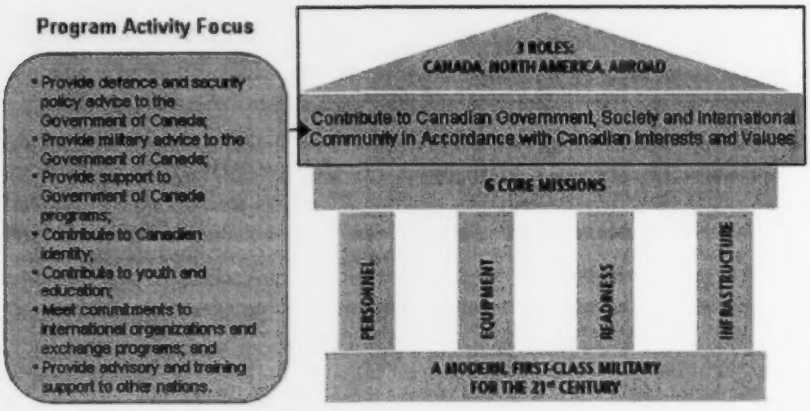
Strategic Outcome: Good governance, Canadian identity and influence in a global community

Program Activity: Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values

This program activity consists of Defence advice to the Government of Canada, contributions to Canadian Government; and contributions to the International Community, all in accordance with Canadian interests and values.

The following diagram illustrates the dedicated focus areas of Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values as identified in the Defence Program Activity Architecture. This program activity is directly aligned to the three roles – Canada, North America, and Abroad – of the *Canada First* Defence Strategy.

Figure 15: Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values Focus Areas


Program Activity Focus
• Provide defence and security policy advice to the Government of Canada;
• Provide military advice to the Government of Canada;
• Provide support to Government of Canada programs;
• Contribute to Canadian identity;
• Contribute to youth and education;
• Meet commitments to international organizations and exchange programs; and
• Provide advisory and training support to other nations.
3 ROLES: CANADA, NORTH AMERICA, ABROAD
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values
6 CORE MISSIONS
PERSONNEL
EQUIPMENT
READINESS
INFRASTRUCTURE
A MODERN, FIRST-CLASS MILITARY FOR THE 21st CENTURY

For fiscal year 2008-09, the *Report on Plans and Priorities* identified a number of key initiatives, including:

- Continue to make vital contributions to the economic well-being of Canadians;
- In our work abroad, continue to promote Canadian values of democracy, freedom, human rights and the rule of law;
- Continue to be instrumental in the Government of Canada's broader humanitarian relief efforts in response to national disasters; and
- Contribute to building Canada's reputation for establishing good governance abroad.

Performance Summary

Program Activity: Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values				
Expected Results	Performance Indicators	Targets	Performance Status	Performance Summary
Good governance Canadian identity and influence in a global community	Number of military personnel who have participated in Military Training Assistance Program activities over the past 12 months	No target established	N/A	Training positions for 1300 foreign and domestic students
	Growth of the Canadian Rangers	4525 personnel for 2008-09	Mostly Met	4329 personnel for 2008-09
	Percentage of Canadian youth aged 12 to 18 enrolled in cadet program	1.7 percent	Exceeded	1.83 percent
Alignment to Government of Canada Outcomes				
International Affairs: A safe and secure world through international cooperation Integral to the safety and security of Canada and the world, Defence is committed to the conduct of fully integrated global operations, across the spectrum from humanitarian assistance to combat, in concert with national and international partners to achieve timely and decisive effects in support of Canada's national interests.				

Sources: Assistant Deputy Minister (Finance and Corporate Services) Group; Chief Military Personnel Group; Assistant Deputy Minister (Civilian Human Resources) Group; Vice-Chief of the Defence Staff Group

Notes: The performance status terminology prescribed by the Treasury Board was applied to the above table as follows:

- **Exceeded** – More than 100 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Met All** – 100 percent of the expected level of performance for the expected result was achieved during the fiscal year.
- **Mostly Met** – 80 to 99 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Somewhat Met** – 60-79 percent of the expected level of performance for the expected result identified were achieved during the fiscal year.
- **Not Met** – Less than 60 percent of the expected level of performance for the expected result identified was achieved during the fiscal year.

Program Activity: Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values 2008-09 Financial Resources ($ thousands)					
	2007-08	2008-09			
	Actual Spending	Main Estimates	Planned Spending	Total Authorities	Actual Spending
Departmental Spending	1,036,470	1,206,649	1,222,855	1,281,329	1,110,150
Capital Spending (included in departmental spending)	30,880	57,783	58,083	55,522	18,506

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

Note:

1. The total authority column is the department's internal breakdown of the approved votes into PAA reporting categories. It does not represent the voted authorities approved by Parliament.
2. Departmental Spending and Capital Spending includes the allocation of Internal Services. For details, see *Section III: Other Items of Interest: Internal Services –Selected Defence Portfolios*.

Program Activity: Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values 2008-09 Human Resources (FTEs)			
	Planned	Actual	Difference
Military	2,637	2,627	(10)
Civilian	1,537	1,542	5
Total	**4,174**	**4,169**	**(5)**

Data Source: Human Resources Management System reports as of 31 March 2009

Sources: Chief Military Personnel Group, Assistant Deputy Minister (Civilian-Human Resources) Group, Vice-Chief of the Defence Staff Group

*Due to rounding, figures may not add up to totals shown

Notes:

1. Military FTEs represent Vote 1 and Vote 5 Regular Forces and do not include Class "C" Primary Reserve Forces.
2. Military FTEs are derived from a representative financial formula, as there is not a consistent 1:1 relationship between FTEs and program activities.
3. The civilian workforce is planned through a Salary Wage Envelope (SWE); therefore, FTE figures represent an equivalent dollar value.
4. Civilian FTE figures include Communications and Security Establishment Canada (CSEC), National Search and Rescue Secretariat (NSS), and the Office of the Ombudsman (OMB). For further information on these organizations please refer to *Section III: Other Items of Interest – Select Defence Portfolios*.
5. Civilian FTE figures for this program activity include 5.6 percent personnel attributed to Internal Services.
6. Due to reprioritization of operational and/or management initiatives within the fiscal year, personnel are reallocated to other program activities as required.

Performance Analysis

Provide Advice to the Government of Canada

Over the course of the reporting period, Defence advised the Government of Canada on a range of issues from the mission in Afghanistan to disaster response at home. The Department continued to play a central role in implementing the *Canada First* Defence Strategy (CFDS); managing Canada's international defence relations through organizations such as the UN, NATO, and NORAD; and coordinating Defence activities with the priorities of the Cabinet, Parliament, other government departments and agencies, the academic community (through the Security and Defence Forum), and the Canadian public. Defence also provided advice to the Government on how best to focus our efforts and to set priorities as we look ahead to changing Canada's role in Afghanistan from that of combat to reconstruction in 2011.

Through the commitment outlined in the CFDS to develop a partnership with Canadian industry, Defence undertook to renew and procure new equipment for the CF. For more information, please see: *Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces - Equipment*.

Contribute to the Government of Canada and Society in Accordance with Canadian Interests and Values

Research and Development

Northern Watch

In the technology sector, Defence advanced the development of and testing of several components of the Northern Watch project. The system is designed to enhance surveillance capabilities within the maritime environment in the Canadian Arctic, a contribution that could eventually improve the Arctic Command, Control, Computers, Communications, Intelligence, Surveillance and Reconnaissance (C4ISR) and that would thereby improve situational awareness in the region. To maximize our technological and scientific knowledge base, Defence continued to build linkages with other departments and agencies and managed 11 Scientific Clusters/Communities across the Government that work on a diverse range of subjects

ranging from Chemical, Biological, and Radio-Nuclear Explosives to border security to emergency management.

R&D for Soldier Survivability

Defence continued to respond to the threat of the improvised explosive device (IED) with critical research and development and the Counter-IED Technology Demonstration Project. This four-year program specifically addresses counter-IED activities of attacking the insurgent networks, defeating the IED device, and preparing the CF. Recent accomplishments include:

- the provision of in-theatre operational research and analysis with appropriate reach-back[19];
- simulation-based IED awareness training to deploying personnel;
- the design and/or evaluation of blast-resistant protective equipment;
- extensive support to land force route clearance capability;
- counter IED culvert design and evaluation;
- the development of mini-robots for counter-IED work; and
- the creation of new diagnostic techniques for detecting traumatic brain injury.

For further information regarding these and other soldier survivability efforts, please see the section entitled, *Defence's Engagement in Afghanistan* that appears earlier in this report.

Communicating CF History and Heritage to Canadians

The CF continues to uphold a proud image of service. The CF participated in or supported numerous cultural events throughout Canada. The CF Museum in Québec was an integral part of the celebrations honouring the 400th Anniversary of the Founding of Québec City. Other events included the Royal Nova Scotia Tattoo, the Grey Cup, Calgary Stampede, and security support to the Royal Canadian Mounted Police at the 49th International Eucharistic Congress and the 12th Sommet de la Francophonie. The Department also published the first volume of the history of Canada's war in South-West Asia and finished the publication of the first volume of *Traditions and Customs of the CF: the Framework of CF Tradition and Heritage*, as well as *The Insignia and Lineages of the CF: Infantry Regiments* documenting contributions made by the Aboriginal community.

For additional information on CF history and heritage please visit the Canadian Military History Gateway web site at www.cmhg.gc.ca .

Over the course of the fiscal year, Defence contributed in a number of ways to successfully communicate to Canadians the whole-of-government approach on the mission in Afghanistan. Communication products and activities were developed to support the Government's engagement in Afghanistan and its commitment to inform Parliamentarians and Canadians, on a quarterly basis, about the results and progress of projects announced as part of the Government's response to the *Independent Panel on Canada's Future Role in Afghanistan.*

In particular, CF components and imagery were provided to the Afghanistan 360° display and Defence was an important contributor to the Government website on the mission in Afghanistan (www.afghanistan.gc.ca), and the electronic newsletter *Focus Afghanistan*. Web-based articles were regularly updated to provide information to the public on operations and success stories of the CF in theatre.

The CF continued to successfully manage the Afghan mission media embedding program on behalf of the Government of Canada. This program is designed to host media in Afghanistan so they can provide first-hand reporting on the mission to the Canadian public and report on Canada's CF and civilian efforts.

[19] Refers to science advisors "reaching back" to seek specialized support or direct assistance from resources not present at the site.

During the fiscal year, 86 members of the media embedded in Kandahar, accounted for approximately 18 percent of domestic print coverage.

The Afghan mission continued to top the list of Defence topics of interest by the media, representing 29 percent of all queries received. During the year Defence carried out over 170 targeted stakeholder relations activities on the Afghan mission at the national and regional level, including national and regional speaking tours and familiarization visits. These activities enabled Defence to inform and engage Canadians on the mission, and generated significant media coverage, positive responses and many follow-on opportunities.

National Search and Rescue Secretariat

The National Search and Rescue Secretariat (NSS), established in 1986, provides leadership to the National Search and Rescue (SAR) Program through the Interdepartmental Committee on Search and Rescue (ICSAR). ICSAR includes representatives from central agencies and the federal departments and agencies that provide SAR services. The NSS reports directly to the Minister of National Defence, who is the lead Minister for SAR. The NSS is accountable to the Minister through ICSAR for the development, co-ordination, analysis and review of federal SAR program policies and plans, and for specific program activities. The NSS also provides leadership in enhancing co-ordination between provincial, territorial and federal SAR programs, and advises the Minister on program issues.

Please see *Section II: Conduct Operations* for more information. For financial and human resources details of the National SAR Program and National Search and Rescue Secretariat, refer to *Section III: Other Items of Interest – Selected Defence Portfolios.* More information about the NSS is available online at http://www.nss.gc.ca.

Ombudsman

The Ombudsman's Office contributes to substantial, long-lasting change in the Department of National Defence and the Canadian Forces. Independent of the chain of command and civilian management, the Ombudsman reports directly to the Minister of National Defence and helps to ensure fair and equitable treatment for all members of the Defence community.

The Ombudsman's Office is a direct source of information, referral and education for Defence employees, Canadian Forces members and their families. The office investigates complaints and serves as a neutral third party on matters related to the Department and the CF, when necessary, reports publicly on these issues.

Throughout fiscal year 2008-09, the office received 1,081 new cases from CF members, civilian employees, military family members and other constituents. The top five categories of new cases were related to benefits, release from military service, medical care, harassment and military postings. In total, Ombudsman investigators and intake officers handled 1,561 cases over the past year, including new cases, cases re-opened and cases left over from previous years.

In fiscal year 2008-09, the office also published a special report and a case study on post-traumatic stress disorder and other operational stress injuries; finalized several major investigations; and intervened in several significant issues.

- In December 2008, the office published a second follow-up report on operational stress injuries, entitled, *A Long Road to Recovery: Battling Operational Stress Injuries*;
- As part of the broader investigation on operational stress injuries, the office also released a case study, *Assessing the State of Mental Health Services at CFB Petawawa*;
- The office worked to resolve difficulties that unilingual military recruits were experiencing in accessing training and/or services in their first official language at Canadian Forces Bases Borden, Gagetown and St-Jean Garrison; and

- The office conducted an investigation into complaints from approximately 20 CF recruits (or former recruits) and Officer Cadets at the Canadian Forces Leadership and Recruit School in St-Jean, Quebec, who were released from the military as a result of an injury that they received during basic training.

For more information about the Ombudsman's Office visit www.ombudsman.forces.gc.ca. For financial and human resources details of the Ombudsman's Office, refer to *Section III: Other Items of Interest – Selected Defence Portfolios.*

Corporal Julie Alain, medic, examining an Afghan girl at a free medical clinic run by Afghan, Canadian and US medical and dental personnel in Spin Boldak, Afghanistan. Cpl Alain was presented with the Meritous Service Medal from Governor General Michaël Jean for her exemplary leadership and dedication when she intervened in a mass casualty incident in Kandahar province 12 August 2007.

By Cpl Simon Duchesne

Work Environment

Defence is committed to a workplace that promotes equitable treatment and respect in a diverse environment. The successful recruitment and retention of a diverse workforce in the CF is of utmost importance. As such, Defence continues to improve efforts in the areas of diversity, employment equity, official languages and alternative dispute resolution.

A fundamental element in Canada's proud military tradition is to recognize loyalty, honour and actions above and beyond the call of duty. Public recognition ensures that Canadians understand and continue to appreciate the dedication of our men and women in uniform. From a CF perspective, recognizing CF members contributes to retention and instills continued pride in, and loyalty to, the organization.

For information on activities and achievements related to the work environment, and CF personnel and civilian workforce recognized during the reporting period, please refer to *Section III: Other Items of Interest – Work Environment.*

Contribute to Canadian Youth

Fostering a sense of proud tradition and teaching valuable life skills continued through the guidance and mentorship that the CF imparts to Canada's youth through the Canadian Cadet Program and the Junior Canadian Rangers (JCR) Programme.

During the reporting period, 50,085 cadets (ages 12 to 18) completed local training delivered at 1,136 cadet units and 18,852 cadets completed summer training delivered at 24 Cadet Summer Training Centres.

In 2008, the JCR Programme celebrated its 10th anniversary. The JCR Programme provided training to 3380 young people (ages 12 to 18) in 119 communities across Canada and 597 JCRs received enhanced training through summer training programs delivered via five enhanced training sessions.

The Canadian Cadet Program and Junior Canadian Rangers Programme participants were provided opportunities to learn, grow and experience skills and activities that are rarely offered anywhere else. These programs continued to foster the attributes of good citizenship and leadership and promote physical fitness in Canada's youth.

For additional information, please see *Section III: Other Items of Interest - Reserve Force.* Visit Cadets Canada on-line at www.cadets.ca and Junior Canadian Rangers at www.jcr-rjc.ca.

Contributing to the International Community in Accordance with Canadian Interests and Values

Defence was active in many parts of the globe and engaged with the international community through bilateral and multilateral operations and partnerships, industrial defence cooperation, scientific and technological cooperation and military training assistance.

Multilateral Organizations and Other International Activities

During the reporting period, Canada and the United States celebrated the 50th Anniversary of the NORAD agreement. On 11 April 2008, the Minister of National Defence and the Chief of the Defence Staff visited NORAD headquarters to commemorate the event, underscoring the enduring strength of the North American defence partnership.

In September 2008, Canada hosted the VIII Conference of Defence Ministers of the Americas (CDMA) in Banff, Alberta. Consistent with the Canadian Government's renewed commitment to the hemisphere, the CDMA is a cornerstone of Canada's defence engagement in Latin America and the Caribbean. Canada continued to support a comprehensive approach to security cooperation and to diversify and deepen its defence relations in the hemisphere. Several of Canada's defence activities in the Americas are rooted in the declarations of previous conferences.

Support to Regions and Countries at Risk

Defence's commitment to the mission in Afghanistan remained unwavering. Improving the safety of CF men and women in uniform who participate in this operation was among the highest priorities for Defence. While our greatest contribution internationally remained our operations in Afghanistan, we were also engaged in other areas, including in Darfur where the CF continued to cooperate with the African Union in efforts to stem that crisis. Members of the CF also contributed to missions in Europe, the Middle East and other countries in Africa in ongoing efforts to restore peace and successfully rebuild states.

Please see *Section II: Conduct Operations* for more information.

Industrial Defence Cooperation

Defence also maintained productive relationships with international organizations in defence industrial cooperation, and defence research development, planning and operations.

Defence continued to enhance defence industrial cooperation with the United States in a number of areas including participation in the $300 billion multilateral Joint Strike Fighter Program, improvements to North American Defence Industrial Base critical infrastructure protection, modernized mechanisms of armaments cooperation with the Office of the Secretary of Defence and established new arrangements with the United States Services. In addition, the Department worked with the United States Department of Defence to identify future areas of material cooperation and addressed numerous export control and export disclosure issues impacting current and future collaborative efforts.

Scientific and Technological Cooperation

Canada's engagement in scientific and technological cooperation with our international partners is illustrated in the work with the United States Department of Homeland Security Science and Technology branch on a broad range of issues such as transport security, chemical and biological detection and critical infrastructure protection.

Defence also worked steadily to ensure the successful attainment of key international arms-control and other proliferation security goals, in close co-operation with Foreign Affairs and International Trade Canada, North Atlantic Treaty Organization, the Organization for Security and Co-operation in Europe

and the United Nations. Efforts continued in advancing and consolidating multi-faceted approaches to prevent, contain, reduce or otherwise limit the proliferation of weapons, military activities and personnel.

Defence planning, coordination and execution of arms control operations and activities efforts maximized strategic effect. These activities directly supported Canada's overarching threat reduction and conflict prevention agenda, aimed at reducing and controlling various categories of weapons, raising the threshold of confrontation and enhancing trust and security throughout the international community. The annual operations and activities programme was implemented through the execution of on-site and area inspections and evaluations; observation, monitoring and escort missions; training assistance to various proliferation security organizations; and active participation in wide-ranging partnerships with security co-operation partners and contacts.

In response to the Russian Federation's December 2007 suspension of compliance with the Conventional Forces in Europe Treaty, adaptive implementation of other confidence and security building mechanisms, along with expanded collaboration with other Treaty partners, were undertaken by Canada to mitigate, to the extent possible, the deleterious effects of Russia's unilateral action.

Military Training Assistance Program (MTAP)

Defence also maintained working linkages with our allies and partners through the Military Training Assistance Program (MTAP) and its various language and professional development courses and peace support operations. At the end of the reporting period, the Program had 73 active member countries and had trained approximately 1,300 students. Among several noteworthy achievements, MTAP provided the Afghan National Army with ongoing language training. In addition, during fiscal year 2008-09, four Afghan cadets continued to make progress in their five-year training program at the Royal Military College of Canada – the same program used to train Canadian cadets. For further information regarding the CF's training and mentoring of the Afghan National Army and Afghan National Police, please refer to *Section II: Conduct Operations*.

For additional information on the MTAP Program, please see *Section III: Other Items of Interest - Details on Transfer Payment Programs*.

Lessons Learned

Defence learned that cooperation with its partners in the area of research and science has allowed it to make progress on important defence related projects which altogether augment its capacities to improve defence technologies while stimulating the economy through the creation of jobs for Canadians in the defence industry.

Defence has learned that the whole-of-government approach to policy making and implementation allows us and our partners to deliver the best results on our commitments. This is evidenced in our mission in Afghanistan where members of the Defence Team, military and civilian alike, work side by side with other governmental departments and agencies in rebuilding that country. Our successes, the challenges that we faced, and lessons that we learned in implementing this approach in Afghanistan, will serve as a model for future missions.

Defence learned that its contributions to the promotion of good governance, the strengthening of Canadian identity abroad and engaging with the international community has served in the fulfillment of the Department's mandate. Through our leadership at the Conference of Defence Ministers of the Americas we have strengthened our strategy of cooperation and dialogue with our neighbours. In addition, being a reliable partner to the United States in the defence of North America and exercising leadership in international operations, such as in Afghanistan, helped Defence to deliver on its foremost responsibility - the protection Canadians and our homeland.

CONCLUSION – BENEFITS TO CANADIANS

Program Activity: Conduct Operations

Since the tragic events of 11 September 2001, the international security environment has evolved. The ongoing presence of conflicts and areas of instability continue to make the world in which Canadians live, travel and do business different from that of just twenty years ago.

The *Canada First* Defence Strategy (CFDS) clearly mandates the CF to defend Canada, defend North America in cooperation with the United States and contribute to international security.

Domestically, the CF continued to ensure both the safety and security of all Canadians through such diverse activities as search and rescue, sovereignty patrols in the Arctic by the Canadian Rangers, and fisheries and environmental patrols in support of other government departments to ensure that our natural resources remain protected. The CF remained committed to the protection of Canadians and continued to support Public Safety Canada, Health Canada, the Royal Canadian Mounted Police, Natural Resources Canada, the Canadian Coast Guard and many other departments and agencies to do so.

Internationally, the CF contributed to a number of operations with our allies and partners to maintain, protect and enforce peace and stability, by engaging in multiple theatres of operation, most notably in Afghanistan.

Program Activity: Generate and Sustain Relevant, Responsive and Effective Combat-capable Integrated Forces

Personnel

Defence continued to rebuild the CF into a first-class, modern military and recruit the "best and brightest" that Canadian communities have to offer. With an expansion plan in place, Defence continued its efforts to ensure it has the resources to grow, to modernize and enhance its ability to react to any security challenges the future may bring. Canadians can have confidence in the dedicated personnel of the Defence Team to ensure the operational effectiveness of the military.

Equipment

Working with the Canadian Government, Defence completed procurement projects faster and fairly, and delivered the right equipment to the CF, at the best price for Canadia while maximizing benefits for Canadian industry.

The Government's commitment to funding new equipment benefited Canadians and Canadian industry. The Industrial and Regional Benefits (IRB) program was applied to all major defence procurements over $100 million. Under this program, for every dollar the Government of Canada paid a contractor, the contractor was required to spend an equivalent amount inside Canada. This program allowed the federal government to lever long-term industrial and regional development from defence investments. This ensured that no matter where defence equipment was from, the Canadian economy benefited from the Government's investment.

Using the CFDS as a 20-year roadmap, industry is now able to invest proactively and exploit opportunities for domestic and international spin-offs.

Readiness

The Government of Canada is providing Canadians with a military that can deploy more quickly and effectively in difficult and adverse environments. With recent budget increases, the CF enhanced military readiness through improved access to adequate resources for training and equipment.

Infrastructure

The CFDS identified the viability of infrastructure as a key factor in guaranteeing that the CF can meet Canada's future defence and security requirements, and ensure both the enhanced security of Canadians at home and a stronger voice for Canada on the world stage.

Defence invested in major job-creating infrastructure projects across the country – including major urban areas such as Halifax and Kingston, and smaller communities such as Trenton, Cold Lake and Wainwright. Capital construction expenditures in fiscal year 2008-09 totalled $495 million. These significant investments, be it homes for the families of military members, hangars for aircraft, medical clinics for CF members or maintenance facilities for ships, were not only of benefit to the CF, but in turn contributed to the economic prosperity of communities across Canada. At a factor of 5.4 jobs per million dollars of expenditure, capital construction expenditures helped sustain almost 2,700 full-time jobs.

Program Activity: Contribute to Canadian Government, Society and the International Community in Accordance with Canadian Interests and Values

Defence provided advice to the Government of Canada on a wide range of security and defence issues, from building stability in Kandahar to protecting the Government of Canada's information technology and the environment. In line with the whole-of-government approach, Defence managed the media embedding program on behalf of the Government of Canada in Afghanistan. Through this program, media can report to Canadians the work of military and civilian personnel in Afghanistan. This openness is a key aspect of the Government's efforts to clearly and transparently communicate with Canadians.

Defence provided the leadership and resources for national Search and Rescue efforts, fostered industrial cooperation and was a major contributor to the economic well-being of local communities. Defence drew on the innovative capacity of the public and private sectors to meet scientific and technological challenges in security and defence, such as the threat of improvised explosive devices (IEDs) in Afghanistan and partnered with our American counterparts to broaden the defence science knowledge base in Canada.

Progress was made on environmental remediation activities at many sites across Canada including Distant Early Warning Line radar sites (accounting for approximately $45 million) and the clean up of the land-based site at the former Yarrows property in Esquimalt (accounting for about $10 million). Total in-year expenditures on environmental assessment, remediation/risk management, and long-term monitoring activities for fiscal year 2008-09 were $79 million of which $60 million were expenditures directly towards reducing liabilities (remediation/risk management activities). Fiscal year 2008-09 data showed a decrease of about $66 million in environmental liabilities when compared to fiscal year 2007-08 reported data.

At home, the Cadet and Junior Canadian Ranger Programmes gave young Canadians, in communities across Canada and the North, the opportunity to develop leadership and essential life skills. Abroad, Defence effectively promoted Canada's interests and reflected national values globally through cooperation with international partners on industrial and scientific issues.

SECTION III: SUPPLEMENTARY INFORMATION

Financial Highlights

The financial information presented within this report is intended to serve as a general overview of Defence's financial position and operations. The Department's financial statements can be found on Defence web site at: http://www.vcds.forces.gc.ca/sites/page=eng.asp?page=5609.

Condensed Statement of Financial Position

For the Period ending March 31, 2009

	(in thousands of Dollars)	Percentage Variance	2009	2008
Assets	Total Assets	5%	**36,155,540**	**34,304,900**
Liabilities	Total Liabilities	3%	51,118,741	49,807,921
Equity	Total Equity	-3%	(14,963,201)	(15,503,021)
Total		5%	**36,155,540**	**34,304,900**

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

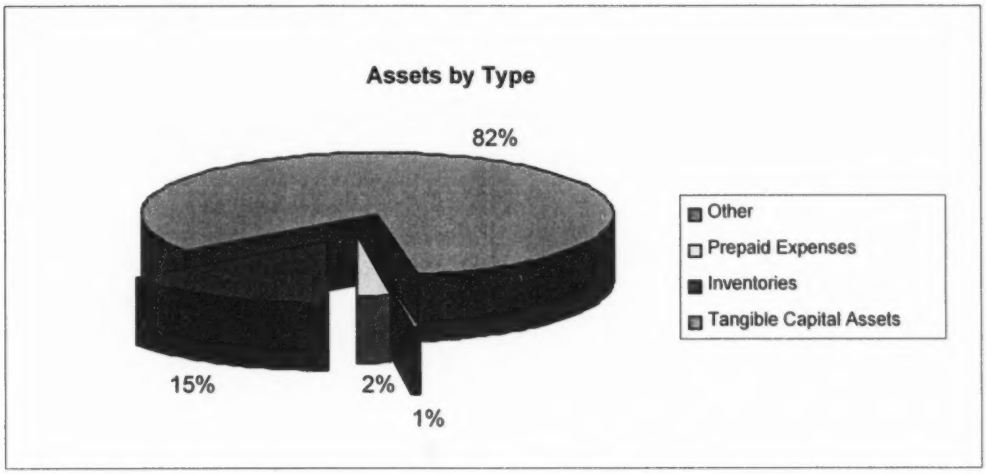
Condensed Statement of Operations

For the period ending March 31, 2008

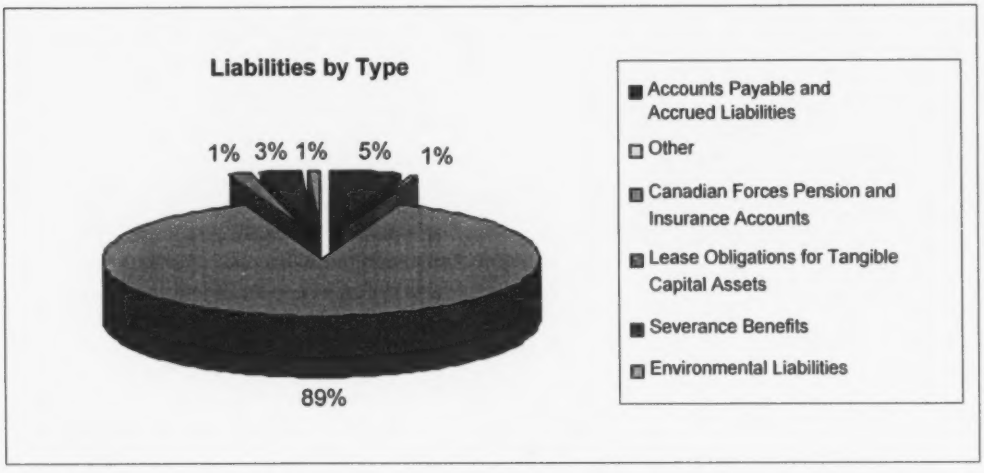
	(in thousands of Dollars)	Percentage Variance	2009	2008
Expenses	Total Expenses	10%	18,501,793	16,819,879
Revenues	Total Revenues	4%	524,240	504,484
NET COST OF OPERATIONS		10%	**17,977,553**	**16,315,395**

Source: Assistant Deputy Minister (Finance and Corporate Services) Group

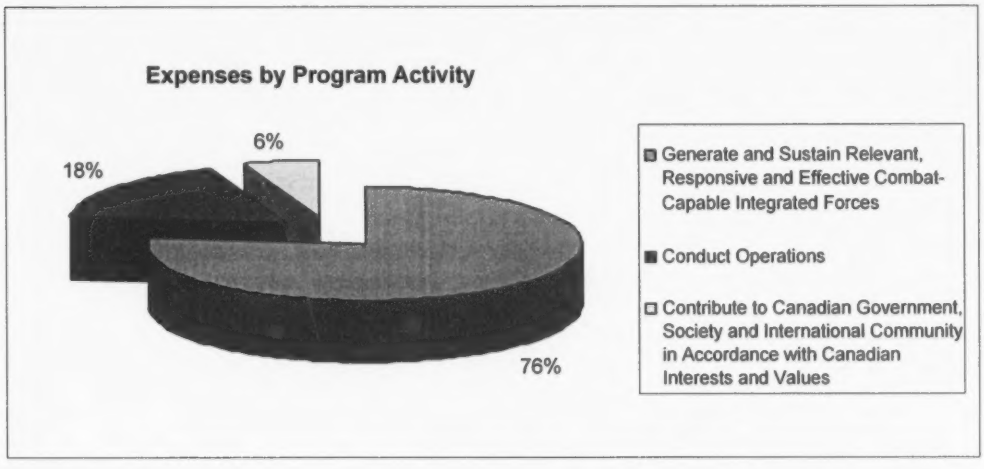
Financial Highlights Charts



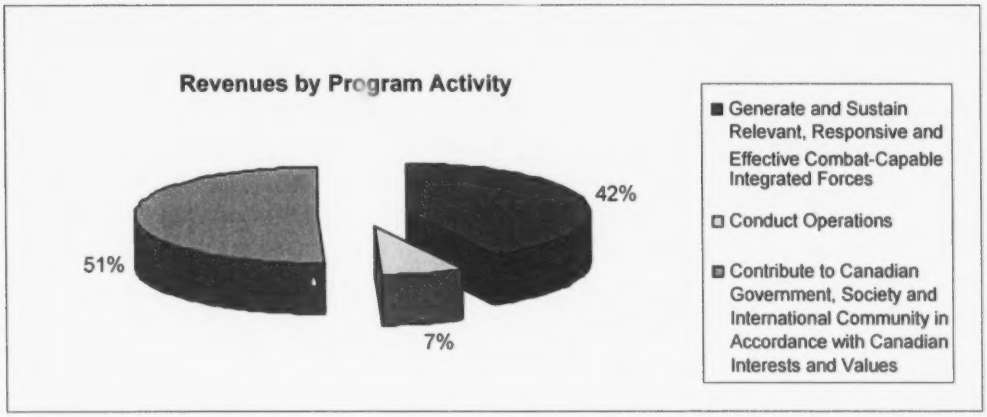
Total assets were $36.2 billion at the end of 2008-09, an increase of $1.9 billion (5%) over the previous year's total assets of $34.3 billion. Tangible Capital Assets comprised 82% of total assets at $29.7 billion. Inventories represented $5.5 billion (15%) while Prepaid Expenses represented $0.8 billion (2%) of total assets.



Total liabilities were $51.1 billion at the end of 2008-09, an increase of $1.3 billion (3%) over the previous year's total liabilities of $49.8 billion. Canadian Forces Pension and Insurance Accounts represent the largest portion of liabilities at $45.4 billion or 89% of total liabilities.


Expenses by Program Activity
6%
18%
76%
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces
Conduct Operations
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values

Total expenses for the Department of National Defence were $18.5 billion in 2008-09. The majority of expenses, $14.2 billion or 76%, were spent in support of the program activity undertaken to Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces.


Revenues by Program Activity
51%
42%
7%
Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces
Conduct Operations
Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values

The Department's total revenues amounted to $524.2 million for 2008-09, an increase of $19.8 million (4%) over the previous year's total revenues of $504.5 million. Almost half or $265.2 million (51%) of the revenue was derived from the program activity undertaken to Contribute to Canadian Government, Society and International Community in Accordance with Canadian Interests and Values. Another $220.7 million (42%) of the revenue was related to the Generate and Sustain Relevant, Responsive and Effective Combat-Capable Integrated Forces program activity.

Supplementary Information Tables

The following information is available on the Treasury Board Secretariat's website at: http://www.tbs-sct.gc.ca/dpr-rmr/2008-2009/index-eng.asp.

- Table 1: Sources of Respendable and Non-Respendable Revenue
- Table 2: Details on Project Spending (Capital Equipment Program) over $30M
- Table 3: Status Report on Major Crown Projects
- Table 4: Summary of Transfer Payment Programs by Activity
- Table 5: Sustainable Development Strategy
- Table 6: Green Procurement
- Table 7: Response to Parliamentary Committees and External Audits
- Table 8: Internal Audits and Evaluations

Other Items of Interest

The following information can be found on the Defence website at http://www.vcds.forces.gc.ca/sites/page=eng.asp?page=5609.

- National Defence Organization Chart
- Legislation and Regulations Administered
- Key Partners and Stakeholders
- Overview of Delivery Mechanisms
- Summary of Financial and Human Resources
- Contribution of Defence Priorities to Strategic Outcomes
- Defence Program Activity Architecture Chart
- Relationship Between Defence Priorities and Program Activities
- Departmental Link to Government of Canada Outcome Areas
- Cost Estimates for CF Domestic and Continental Operations
- Cost Estimates for CF International Operations
- Reserve Force
- Reserve Force Expansion Annual Strength Report
- Regular Force Attrition Trend
- Work Environment
- Distribution of Actual Spending by Strategic Outcome
- Summary of Capital Spending by Program Activity
- Capital Construction Program (Spending over $60M)
- Details on Transfer Payment Programs over $5M
- Details on Transfer Payment Programs (Narrative)
- Expenditure Management Review
- Internal Services
- Selected Defence Portfolio HR and Financial Resources
    - Reserve Force
    - National Search and Rescue Secretariat
    - Communications and Security Establishment Canada
    - Defence Research and Development Canada
    - The Office of the Judge Advocate General
    - The Office of the Ombudsman for the Department of National Defence and the Canadian Forces

Acronyms

	A
ADM(FinCS)	Assistant Deputy Minister (Finance and Corporate Services)
ADM(IM)	Assistant Deputy Minister (Information Management)
ANA	Afghan National Army
ANP	Afghan National Police
ANSF	Afghan National Security Forces
AODP	Apprenticeship and Operational Development Program
	C
C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance
Canada COM	Canada Command
CANSOFCOM	Canadian Special Operations Forces Command
CDMA	Conference of Defence Ministers of the Americas
CEFCOM	Canadian Expeditionary Force Command
CFB	Canadian Forces Base
CIC	Cadet Instructors Cadre
CIDA	Canadian International Development Agency
CF	Canadian Forces
CFDS	*Canada First* Defence Strategy
CFRG	Canadian Forces Recruiting Group
CRPG	Canadian Ranger Patrol Group
CSPS	Canada School of Public Service
CTF	Combined Task Force
	D
DFAIT	Foreign Affairs and International Trade Canada
DND	Department of National Defence
DPR	Departmental Performance Report
EDIS	DND Estimated Expenditures by Electoral District and Province
	E
EPA	Effective Project Approval
ERC	Expenditure Review Committee
	F
FOC	Full Operational Capability
FTE	Full-Time Equivalent
	G
GHG	Greenhouse Gas
GPS	Global Positioning System
GST	Goods and Services Tax
	H
HR	Human Resources
HRMS	Human Resources Management System

I

ICSAR	Interdepartmental Committee on Search and Rescue
IED	Improvised Explosive Device
IEDD	Improvised Explosive Device Disposal
IM/IT	Information Management / Information Technology
IOC	Initial Operational Capability
IRB	Industrial and Regional Benefits
IRP	Integrated Relocation Program
ISAF	International Security Assistance Force
ITAR	International Traffic in Arms Regulations

J

JCR	Junior Canadian Rangers
JIATF(S)	Joint Interagency Task Force (South)
JPSU	Joint Personnel Support Unit
JTF	Joint Task Force
JTFN	Joint Task Force North

L

LAV	Light Armoured Vehicle

M

M&R	Maintenance and Repair
MDA	MacDonald, Dettwiler and Associates Ltd.
MOU	Memorandum of Understanding
MSOC	Marine Security Operations Centre
MTAP	Military Training Assistance Program

N

NATO	North American Treaty Organization
NORAD	North American Aerospace Defense Command
NSS	National Search and Rescue Secretariat

O

O&M	Operations and Maintenance
OAG	Office of the Auditor General
OGD	Other Government Department
OGGO	Office of Greening Government Operations
OMLT	Operational Mentor and Liaison Team
OSI	Operational Stress Injury
OSISS	Operational Stress Injury Social Support

P

PAA	Program Activity Architecture
PMO	Project Management Office
PPA	Preliminary Project Approval
PWGSC	Public Works and Government Services Canada

	R
RCMP	Royal Canadian Mounted Police
RFP	Request for Proposal
RPP	Report on Plans and Priorities
RPSR	Revised Pay System for the Reserves
	S
SAR	Search and Rescue
SDS	Sustainable Development Strategies
SNMG1	Standing NATO Response Force Maritime Group One
SOIQ	Solicitation of Interest Qualification
	T
TB	Treasury Board
TLD	Third Location Decompression
	U
UAV	Unmanned Aerial Vehicle
UN	United Nations
UOR	Unforcasted Operational Requirements
	V
VAC	Veteran Affairs Canada
	W
WFP	World Food Program
	Y
YFR	Yearly Flying Rates
YOS	Year of Service

Contact Listing

Plans and Priorities and Departmental Performance Information

Vice-Admiral J.A.D. Rouleau, CMM, MSM, CD Vice-Chief of the Defence Staff National Defence Headquarters 101 Colonel By Drive Ottawa, Ontario K1A 0K2	Telephone: (613) 992-6052 Facsimile: (613) 992-3945

Financial Information

Mr. Kevin Lindsey Assistant Deputy Minister (Finance and Corporate Services) National Defence Headquarters 101 Colonel By Drive Ottawa, Ontario K1A 0K2	Telephone: (613) 992-5669 Facsimile: (613) 992-9693

General Inquiries

Ms. Josée Touchette Assistant Deputy Minister (Public Affairs) National Defence Headquarters 101 Colonel By Drive Ottawa, Ontario K1A 0K2	Telephone: (613) 995-2534 Facsimile: (613) 992-4739 TTY/TDD: 1 800 467-9877 Email: information@forces.gc.ca

Internet Sites on the World Wide Web

Department of National Defence	www.forces.gc.ca
Office of the Judge Advocate General	www.forces.gc.ca/jag/index-eng.asp
Office of the Ombudsman for National Defence and the Canadian Forces	www.ombudsman.forces.gc.ca
National Search and Rescue Secretariat	www.nss.gc.ca
Defence Research and Development Canada	www.drdc-rddc.gc.ca
Communications Security Establishment Canada	www.cse-cst.gc.ca
Defence Planning and Management	www.vcds-vcemd.forces.gc.ca